The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Japan's "New Policy" Involves Further Use of Force---Hankow Submits!

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SATURDAY, OCTOBER 12, 1935 VOLUME 74, NUMBER 6

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74-199

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LOTTERY NO. 15

DRAWN AT THE CANIDROME, SHANGHAI, 4th OCTOBER, 1935

1st PRIZE: (1 of $250,000) **185371**

2nd PRIZE: (4 of $50,000 each) **067152 080152 149451 196174**

3rd PRIZE: (20 of $10,000 each)

019676	090282	121676	180351	247298
049937	093350	122252	203636	261495
064439	096173	135367	241844	266379
072730	114980	147397	246974	283255

4th PRIZE: (100 of $2,000 each)

003522	033939	078232	115005	136707	166165	196900	215195	253241	274377
011834	038032	078662	115417	137106	169453	198724	218029	253697	276125
012439	040332	085041	116364	144468	171379	201308	222590	254478	279094
014048	044492	090123	120161	151835	171431	203223	228150	255375	279922
016606	049601	090617	120476	152580	175712	203746	229798	257260	287085
017415	056140	094040	132857	153057	179247	204718	230866	260874	289584
018945	064287	097869	134467	157263	179447	205075	231811	262346	291824
024102	071214	104420	134980	157422	193894	208992	236443	270982	292159
025122	076282	110077	135253	160357	195377	210244	243181	271727	297333
030486	077884	114195	135260	164114	196581	212446	247617	271894	299565

5th PRIZE: (300 of $500 each) **All numbers ending with 531**

(Numbers whose last three figures correspond to a specially drawn number)

6th PRIZE: (600 of $100 each) **All numbers ending with 420 or 775**

(Numbers whose last three figures correspond to either of two specially drawn numbers)

7th PRIZE: (2,999 of $50 each) **All numbers ending with 71**

(Numbers whose last two figures correspond to the last two figures of the First Prize number)

8th PRIZE: (27,000 of $10 each) **All numbers ending with 1**

(Numbers whose last figure corresponds to the last figure of the First Prize number)

PRIMARY APPROXIMATION PRIZE: (2 of $6,000 each)

(One number immediately preceding and one number immediately following, numerically, the First Prize number) **185370 185372**

SECONDARY APPROXIMATION PRIZE: (8 of $1,000 each)

(One number immediately preceding and one number immediately following, numerically, each of the four Second Prize numbers)

067151	080151	149450	196173
067153	080153	149452	196175

Holders of prize winning tickets may receive payment on and after Saturday, 12th October, 1935, at the Central Bank of China, Bank of China and Bank of Communications or at any of their branches.

Winners of Prizes Nos. 1, 2, 3 or 4 are required to hand their tickets to any one of the above-named banks or their branches for transmission to this Office for verification.

Winners of Approximation Prizes are also required to follow the same procedure.

Winners of Prizes Nos. 5, 6, 7 or 8 will be paid in cash upon presentation of their tickets.

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Shanghai, Oct. 9, 1935

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Demand buying rate on America:	U.S.$1.00=Sh. $ 2.65
Demand selling rate on London:	£1.0.0=Sh. $13.33
Demand buying rate on London:	£1.0.0=Sh. $13.06

Latest New York Stock Exchange Quotations

October 9, 1935

Stock Exchange — Business Done:-

Total Volume: 1,180,000 Shares

1934-35 High	1934-35 Low	Div. $ per sh.	STOCKS	Last Sale Oct. 7	Last Sale Oct. 8
11⅞	4⅝	—	Adams Express	7⅛	7⅛
146	90¼	4.00	American Can	140½	138¾
24⅞	14⅝	0.40	Amer. Cyanamid "B"	23½	23⅝
13⅝	2	—	American & For. Power	5⅛	5⅝
41	11¾	—	American & Foreign Pwr. $7 pref.	31	31
18½	10	—	American Radiator & S.S.	16⅝	15⅞
144¾	99¼	9.00	American Tel. & Tel.	138¾	139¼
105	67	5.00	American Tobacco "B"	100½	100⅛
27⅝	7¼	—	American Waterworks	15¼	15⅝
23⅛	8	—	Anaconda Copper	23⅛	21⅞
73⅜	36⅝	2.00	Atchison, T. & S. Fe	45⅝	44⅝
57⅝	15	—	Auburn	37	36¼
24⅛	7⅝	—	Baltimore & Ohio	14⅛	13⅛
49½	22½	—	Bethlehem Steel	37½	36¼
16¼	6⅛	—	Boeing Airplane Co.,	16	14⅝
57½	16⅛	1.50	Borg Warner	57½	81¼
18⅛	8⅝	—	Canadian Pacific Railway	9¼	9
88⅝	35	—	Case, J. I.	83⅝	81¼
54⅞	23	1.00	Caterpillar Tr.	51¼	51½
40⅝	15⅞	1.40	Chase National Bank	28⅝	28⅝
49⅞	34	3.00	Chesapeake Corp.	42½	43
48¾	37⅛	2.80	Chesapeake & Ohio	44¼	44¼
73⅝	29¼	1.00	Chrysler	73⅝	72½
19¼	3¾	—	Columbia Gas & Electric	12⅝	12⅝
36¾	15¾	0.60	Coml. Solvents	17¼	17⅞
3¾	0¾	—	Commonwealth & Southern (ord.)	1⅝	1⅝
47⅞	16¼	1.00	Consolidated Gas of N. Y.	27¼	28⅛
14¼	6½	0.25	Consolidated Oil	7⅞	8⅛
23	15⅛	0.25	Contin ntal Oil	19⅞	19¾
84½	55½	3.00	Corn Products	61½	61¾
32¾	14⅞	0.75	Douglas Aircraft	31	30¼
134	80	3.60	Du Pont de Nemours	129½	127¼
23½	3¾	—	Electric Bond & Share	12⅞	12¼
34¾	16⅞	0.80	General Electric	33¼	62⅞
37½	28	1.80	General Foods	32⅞	33
46¾	24⅝	2.00	General Motors	46⅝	46⅛
45¾	13¾	1.00	General Railway Signal	33	32
23	14½	1.20	Gold Dust	16	15⅞
41⅝	16	—	Goodyear Tire & Rubber	17¼	16⅞
60¾	33¼	1.00	Humble Oil	53	52⅝
31⅜	21	0.80	International Nickel	31⅝	30⅞
17⅝	5⅝	—	International Tel. & Tel	9¼	9¼
77	39	0.25	Johns Manville	78⅞	73
26½	14	0.60	Kennecott	26½	25⅝
44⅝	20⅝	2.00	Loew's Inc.	42⅞	42¾
26	15⅝	1.20	Lorillard	24⅛	24⅛
84⅜	39	1.00	Monsanto Chemical	84⅜	85¼
37	20	—	Montgomery Ward	30⅝	31½
48	16⅞	1.00	National City Bank	27½	27⅝
18⅝	13	1.20	National Dairy Prods.	16⅞	16⅝
31⅝	16	2.00	National Distillers	29⅝	29⅝
15⅞	5	0.80	National Power & Lt.	8¾	9
45¾	12¼	—	New York Central	21⅞	20¾
25¼	9⅛	1.00	North American	19	19¾
28⅞	12⅝	1.50	Pacific Gas & Electric	26¼	26⅝
44⅛	19	2.40	Pacific Lighting	41⅝	41¼
6⅝	2¾	—	Packard Motors	5	5⅛
84⅝	51½	2.00	Penney, J.C.	81	81½
39⅛	17¼	1.00	Pennsylvania Railroad	26	25⅝
29⅛	13	1.00	Phillips Petroleum	29	29⅛
45	20⅝	2.40	Public Serv. of N.J.	39½	39½
8¾	4	—	Radio Corporation	7⅝	7⅝
62⅞	43¼	3.00	Reynolds Tobacco "B"	54	58⅞
42⅝	17½	—	Schenley	42⅝	41½
60⅞	31	0.75	Sears Roebuck	55	55⅛
19⅞	10⅝	0.30	Socony-Vacuum	10⅝	10¼
22⅝	10⅛	1.50	Southern California Edison	22⅛	22⅛
33⅝	13	—	Southern Pacific	17¼	16¾
25¼	12⅝	0.80	Standard Brands	13	12⅝
17	1⅝	—	Standard Gas & Electric	3¼	3
50⅛	35⅝	1.00	Standard Oil Co. of N. J.	44½	44½
67⅛	47¼	3.80	Sterling Products	64	63¾
48¼	28¾	2.00	Texas Gulf Sulphur	31⅜	31
8⅛	5	0.30	Transamerica	7⅝	7¾
69	35⅞	1.60	Union Carbide & Carbon	66¼	66
133⅞	83½	6.00	Union Pacific	95	93½
20½	8⅞	—	United Aircraft (New)	19⅝	18⅝
10⅛	3⅝	—	United Airline Trans.	9¼	9¼
3⅝	1⅛	—	United Corporation	4	4⅛
20⅛	9⅝	1.00	United Gas Improvement	15⅝	15⅝
66¼	40¼	2.00	Universal Leaf	64⅝	64
64⅜	32	2.00	U.S. Indus. Alcohol	43¾	44
24	9⅝	—	U. S. Rubber	13¼	13
59⅞	27⅞	—	U. S. Steel	44¼	43½
21⅝	11½	—	Vanadium	17⅝	16¾
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Registered at the Chinese Post Office as a newspaper for transmission with special marks privileges in China

74-202

密勒氏評論報

The China Weekly REVIEW

Formerly Millard's Review

華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China.

Volume 74 | Shanghai, China, Saturday, October 12, 1935 | Number 6

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 160 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W. MISSEMER Asst. Editor; TRYPHON V. KU, Advertising Dept.,; F. K. CHAO, Business Dept.

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YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE. POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

WHY CHINA REFUSES LANDING RIGHTS TO PAN-AMERICAN

THE *China Critic*, best know magazine in the English language which is edited and published exclusively by Chinese, referred in its October 3 number to the refusal of the Chinese authorities both at Canton and Nanking to cooperate with the United States in the establishment of Trans-Pacific air-mail and passenger services. According to this Chinese viewpoint the reason for China's refusal to cooperate, even to the extent of providing a landing place on Chinese soil, is due to the fear that if China granted landing rights to the Pan-American company this would establish a precedent for a "certain other country," which would be difficult to refuse.

This was equivalent to saying that Japan had warned China that if China granted landing rights to the American aviation company that Japan would demand similar rights—not only at Canton, but also in Fukien and at Shanghai and innumerable points in North China extending from Shantung to the frontier towns of Mongolia.

The editor of *The Critic* pointed out that while this may have been a plausible excuse for the refusal it did not explain why China should refuse to cooperate in this epoch-making enterprise—the linking of China and the United States by aviation services. It also was pointed out that the establishment of the new aviation service would be of special benefit to some 45,000 Chinese who reside in United States proper and some 28,000 more who reside in the Hawaiian Islands, practically all of whom regard Canton and Kwangtung province of South China as their ancestral home. Mention also might have been made of some 80,000 to 100,000 Chinese who reside in the Philippines, who also would benefit through the quickening of communication with their home province of Fukien on the South China coast. That the new Philippine Commonwealth realizes the importance of the new aviation development in the Pacific was indicated on September 27 when the Philippine Legislature approved the granting of a 25-year franchine to Pan-American Airways, Inc., to operate the service in connection with the San Francisco-China line.

Since all of the intermediate stops between San Francisco and the Philippines are on islands owned by the United States, the granting of a 25-year franchise by the Philippine Commonwealth completed the chain—with the exception of China. But China's refusal to cooperate leaves the whole enterprise "up in the air" so to speak because China controls the terrain on this side of the ocean and no line stopping at Manila can be regarded as having bridged the vast Pacific. According to recent newspaper reports the officials of the American company are trying to get around China's refusal by negotiating with the Portugese colony of Macao and with the British at Hongkong. Should either of these European colonial administrations agree that would solve the problem because Macao and Hongkong are only a short distance from Canton, the central aviation terminal for South China.

With reference to Japanese pressure at Nanking and Canton to prevent the Chinese central and provincial authorities from granting landing rights to the American aviation company, it is of interest to record the fact that the Japanese army authorities claim that the *Tangku Truce*, signed by the Sino-Japanese military authorities on May 30, 1933, includes a provision granting Japan the right to establish aviation connection between the puppet state of Manchukuo and North China. While the text of the Tangku Truce has never been issued officially by either government there is supposed to be a clause in the agreement giving the Japanese military authorities the right to conduct airplane "inspection" trips over the so-called Demilitarized Zone. Recently the officers of the Kwangtung branch of the Japanese army at Changchun have claimed that the clause pertaining to aviation in the Tangku Truce also covers the establishment of Japanese aviation services in the North. It is, of course, no secret that Japanese airplanes have been flying at will over North China and eastern Inner-Mongolia. Japanese planes carrying military officers and observers and even civilian passengers land at will at Peiping and Tientsin and have been known to fly as far inland as Taiyuanfu in Shansi; Kweihwa, capital of Suiyuan; Paotingfu in Hopei, and Tsinan, capital of Shantung. For practically a year one Japanese plane is said to have been making regular weekly trips between Changchun, Mukden, Chengteh and Peiping. For several weeks last summer Japanese planes were stationed on the Tientsin airfield and regular trips were made between Peiping and Tientsin. On August 17 last when the attention of the Nanking authorities was called to this situation and a formal protest was lodged with the Japanese authorities, Lieut.-Col. Tan Takahashi, assistant Japanese military attache stationed at Peiping made the following contemptous reply, *"There is nothing new about it. We have been flying around here (Peiping) ever since the Tangku truce agreement was signed two years ago. It seems to me that the Nanking Government lacks knowledge of what is going on in the North."*

"ASH HEAPS OF MANCHURIA"—THE HIDEOUS DOPE TRAFFIC

MISS Muriel Lester, well known English social worker, now visiting in the Far East spent considerable time investigating the operation and results of the Japanese Opium Monopoly in Manchukuo. The results of her investigation have been made public at Geneva and there has been considerable publicity in the newspapers both in the Far East and in Europe. But of most interest was an "Open Letter to My Friends, the People of Japan," which Miss Lester contributed to the October number of the *Chinese Recorder*, well known journal devoted to Christian missionary activities in China. In addition to the publication of Miss Lester's article, the *Recordet* also published a further article on the Manchurian dope trade which was entitled, "The Dust Heaps of Manchuria." This article, together with the illustrations, is reproduced in this week's issue of *The Review*. The writer of the article said there are two ways of showing up the hideousness of the narcotic menace, one method being to compile statistics showing the extent of the traffic, number of victims and victimizers. Another way is to publish actual pictures of the victims and this was the method followed in the preparation of the article reproduced in these columns. The actual pictures of victims are shown with descriptive matter telling the circumstances in each case. The title of the article was derived from the ash heaps or refuse dumps in Mukden where the Japanese police dump the victims of the official Manchukuo opium monopoly. The other article by Miss Lester which she addressed to her friends in the Island Empire, dealt largely with conditions in the so-called neutral or demilitarized zone which the Japanese army compelled the Chinese to create in the northern part of Hopei province south of the Great Wall following the cessation of fighting in the North early in 1933. The creation of the demilitarized zone was covered in the Tangku Truce which most patriotic Chinese now designate as a modernized version of the infamous Twenty-One Demands of 1915. As indicated in Miss Lester's article the Japanese are using the demilitarized zone as a base for propagating the dope draffic among the Chinese in North China. The results of her investigations in the vicinity of the town of Changli a short distance to the north of Tientsin have already appeared in *The Review*.

But all of the publicity and international criticism of the Japanese dope traffic in the puppet state of Manchukuo and in North China comes back to the fundamental factor that the narcotic trade is in its fundamentals a monopolistic privilege of the Kwantung branch of the Imperial Japanese army. For years it was rumored, but never proved that the so-called "secret fund" of the Kwantung army was derived from the dope trade or taxes on the dope trade which always was conducted among the native inhabitants in vicinities where Japanese garrisons were located. This was true in the Kwantung leased area of South Man-

churia and also the area in the vicinity of Shanhaikwan, long before the actual occupation of China's Manchurian provinces in the fall of 1931. One of Japan's first acts following the seizure of Manchuria and creation of the puppet state was to create an opium monopoly controlled by Japanese advisers holding positions in the Hsinking government. The object was two-fold: to obtain revenue and to dope the population into submission to Japanese rule. It is unnecessary to state that the Chinese produced opium in Manchuria, particularly in Jehol province, prior to the Japanese occupation, but the production and trade were limited and the use of the drug was prohibited and generally limited to the military elements. Now it is propagated everywhere throughout Manchuria and in addition to the opium business Manchuria has been opened up to the unrestricted trade in Japanese-manufactured narcotics such as morphine and heroin. Most of these opium derivatives are sold by Koreans, who are Japanese subjects and in consequence are not subject to arrest and prosecution by the native authorities. The selling of narcotics in Manchuria, particularly in Harbin, was a profitable Korean-Japanese illicit enterprise for many years while the Chinese were in control of Manchuria, but now all native restrictions have been removed and the trade is open. As a result the whole population is being debauched and as stated in the preceding paragraphs, the trade is now being extended south of the Great Wall into China proper. In the event the Japanese go ahead with their military plans and create another puppet government in North China, there will undoubtedly be a repetition of what has already been described in Manchuria.

Calm Before the Storm in North China—Japan Plans the Next Move

WHENEVER large numbers of Japanese particularly army officers, begin flocking over to China on inspection trips that constitutes evidence that the Imperial Japanese army is planning some new move across the Chinese landscape. And since China is now being subjected to another intensive "inspection" that constitutes the best possible indication of stirring events to come. There have been further and even more unmistakable indications of fresh Japanese moves in the not distant future, but before proceeding further it would be well to list some of the prominent Japanese visitors.

The name of Gen. Jiro Minami, commander-in-chief of the Kwantung branch of the Imperial army, should obviously head the list of Japanese warlords now visiting China, even though Gen. Minami did not proceed further than Shanhaikwan where the Great Wall comes down to the sea and marks the border between North China and the puppet state of Manchukuo. Minami left his base at Changchun (Hsinking) where he serves in the dual capacity of commander of the Japanese troops and dictator of Manchukuo, and went to Shanhaikwan where he conferred for several days with Major-General Hayao Tada, commander of the Japanese troops stationed in North China. In this connection it should be noted that the Japanese troops stationed in Peiping and Tientsin and scattered along the Peiping-Mukden railway between these two cities and extending from Tientsin to the sea at Tangku and also at Shanhaikwan, belong to a separate command and are not subject to the orders of the Kwantung branch of the army which runs things in Manchukuo. The Japanese troops stationed in North China are known as "protocol" troops and date back to the Boxer Rebellion which was suppressed by joint action of the Powers in 1901. The fact that these two Japanese armies belong to separate commands makes it necessary for the commander to confer and discuss plans prior to embarking on new adventures, particularly in the vicinity of the Great Wall.

Of course no one outside of the inner circles of the General Staff knows with certainty where the next blow will be struck, but evidence points toward Chahar, Suiyuan and Shansi provinces and this may involve an actual occupation of the Peiping-Tientsin district. The fact that Gen. Kenjo Doihara, arch-plotter of the Kwantung army and controller of the army's secret fund, recently spent considerable time in Kalgan, capital of Chahar and Kweihwa, capital of Suiyuan, constitutes the best possible evidence of future military moves westward along the Peiping-Suiyuan railway which runs westward along the northern border of Shansi province to the town of Paotowchen, located on the upper bend of the Yellow river. When the Japanese put over their "new deal" in North China last summer they forced the Chinese authorities to agree to the stationing of so-called military "missions" at several strategic points in Suiyuan and Inner-Mongolia. They already had such a "mission" in Kalgan which had paved the way for their activities last summer. Now the new missions, which are nothing more than outposts of intrigue, apparently have the ground prepared for a further advance, hence it is quite likely that the Kwantung army will occupy the entire Peiping-Suiyuan railway for that will give them a strategic hold on Shansi province, controlled by Gen. Yen Hsi-shan, once known as the "model" governor but whose prestige has dwindled in recent years due to his participation in a rebellion against Nanking and his extensive cultivation of opium. After Yen's defeat by the combined forces of Generals Chiang Kai-shek and Chang Hsueh-liang in 1930 the "model" governor fled to Dairen the Japanese port on the south Manchurian coast from which place he was later transported in a Japanese military airplane directly to Kalgan where he was enabled to return to his old capital in Shansi. Recently Gen. Yen has been making some strange

statements about the socialization of provincial lands as a means of stopping the spread of communism, but of considerably more significance have been recent Japanese offers of "cooperation" to prevent the spread of communism in North China. While Gen. Yen may have been friendly with the Japanese and grateful to them for refuge in time of need, he obviously does not wish this friendship to grow into military cooperation which would lead eventually to Japanese occupation. But more on that phase of Japanese policy later.

Another important Japanese visitor, also a high military officer, is now in Manchukuo and shortly will visit various parts of China for the purpose of acquainting Japanese officials and residents regarding the new Japanese policy. The officer is Major-General Yasutsugu Okamura, chief of the second department of the Army General Staff. Major-General R. Isogaya, Military Attache in Shanghai, departed for Dairen on Oct. 7 to attend a conference with officers of the Kwantung army, which will also be attended by Gen. Okamura. Following this conference, Gen. Okamura will come to Shanghai to attend another conference here of Japanese military attaches and observers from various parts of China. Several high military officers from Formosa will also attend this conference. The Japanese Navy Department will be represented at this meeting by Capt. Honda of Tokyo and according to the report the Foreign Office is also sending a representative here, Mr. Kuwashima, director of the East Asia Department. Another Tokyo report mentioned the Foreign Office representative as a Mr. Morishima. A further high military officer, now said to be in Tientsin, is Major-General Itagaki, Assistant Chief of Staff of the Kwantung Army.

Gen. Iwane Matsui, a former member of the Supreme War Council and generally regarded as the Army's leading authority on China, departed from Tokyo on Oct. 3 and is now in Shanghai where he is said to be holding conferences with leading officials of the Nanking Government. A *Rengo* report referring to Gen. Matsui's trip said that he was personally acquainted with Gen. Ho Yin-ching, Minister of War; Gen. Huang Fu, Minister of Interior and Wang Ching-wei, chairman of the Executive Yuan and concurrently, Minister of Foreign Affairs of the National Government. The *Rengo* message quoted Gen. Matsui as declaring that all Japanese, military men, diplomats, civilians, are united in the hope that China "will shortly awaken, but Japan will be unable to consider making a loan to China so long as Chinese officials follow their present policy of befriending those far away and fighting her neighbors Britain and the other Powers will be unable to make any loans to China independently so long as Japan adheres to her present stand." According to a statement of the Tokyo War Office, Gen. Matsui will spend two months traveling in China, and will make a trip to Szechuen if necessary in order to see Gen. Chiang Kai-shek. A further interview with Gen. Matsui circulated by *Rengo* on Oct. 3, the day he departed from Tokyo, quoted him as stating that Japan could not assist China "politically" until China realized the vital necessity of cooperation between China, Japan and Manchukuo. He also referred to the alleged spread of communism in the northwestern provinces and declared that Japan "could not remain indifferent to that situation." In order to complete the list of Japanese officers either in China at the present time or scheduled to arrive here shortly on "inspection" trips, there should be added the name of Gen. Banzai, formerly an adviser to the Peiping government. A report in the *Sin Wan Pao* on Oct. 4 stated that he had called on T. V. Soong and discussed the problem of Sino-Japanese economic cooperation.

The motive behind these trips of high Japanese military officers is obviously concerned with some new scheme of Japanese policy. What that is likely to be cannot be forecasted with definiteness, but a careful perusal of statements by officials and reports which have appeared in the Japanese newspapers and magazines gives a more or less clear indication of what is likely to happen. The Japanese newspapers last week announced that the Cabinet, after prolonged discussion, had decided upon a "new China policy," the central point of which involves "cooperation" between Japan, China and Manchukuo. How this will be brought about was not stated, but the *Japan Advertiser*, American paper in Tokyo, concluded a long discussion of the new policy with the following words, "It may of course be a prelude to a further advance, and there are some domestic indications that a new dose of hostilities might be useful for certain purposes with the public at large. But a real attempt at leadership of the Chinese masses against the tortuous warlords is surely too big a job for the present time . . . Where force will be used of course will be against the reds if they come anywhere near the Japanese sphere of influence. Force, it can be assumed will be used against any leaders in North China whose policy is clearly anti-Japanese. But this simply means maintenance of the Japanese power of veto which was inherent from the first in the settlement of the North China issue."

However, force is not to be the only element in the new policy, which is also to include economic development. According to *Rengo* the economic angle is to be handled through a new Yen 10,000,000 commercial concern shortly to be organized and which will concentrate upon the development of mining, agriculture and communications. The new policy, shortly to be unfolded to officials of the War, Navy and Foreign ministries, will emphasize "friendly cooperation . . . . . and complete liquidation of anti-Japanese agitation in China." Emphasis will be placed on the fact that Japan is the "main stabilizing force in East Asia," and, to quote further from *Rengo* it was regarded as significant that the Central Executive Committee and the Kuomintang Party are scheduled to hold their meeting in November "for the purpose of formulating a new policy toward Japan."

But while force will be used "when necessary," moral suasion will normally be relied upon by the military authorities in carrying out their policy of "helping the Chinese and effecting Sino-Japanese solidarity, according to a long survey of the new development which appeared in the *Jiji Shimpo* on Oct. 1. The paper then declared that Japan's object will be to "restore the economic health of the Chinese people, but since the main hindrances to such a policy are the Kuomintang and Gen. Chiang Kai-shek it may be necessary for Japan to remove these handicaps, neither of which can be trusted." The application of the new policy should start in North China and the areas will be extended little by little, "compelling the Chinese authorities to either become pro-Japanese or get out." The paper then stated frankly that Gen. Yoshiyuki Kawashima, the new War Minister, had declared that Japan's real objective "was to emancipate the oppressed peoples of the Far East and give them peace and work . efforts will be concentrated on a reasonable development of Japan's interests in North China . . the independence of the people in the North will be guaranteed with the result that they will become friendly toward Japan and the political, economic and military relations with Japan will become closer. The *Jiji* then outlined the following fundamental principles of the new policy:

1. It must be consistently fair and righteous. Relief for the Chinese and solidarity with China are the basic aims of Japan's policy, which is to be moral, fair and just. Any action tending to arouse suspicion must be carefully avoided. When necessity arises, force may have to be exercised, but that will not be the normal course. Moral concepts must be observed at all times for the eradication of undesirable conditions. .

2. It must be backed up with an efficient force. It is only natural that the extermination of injustice and the punishment of obstinacy will require resort to armed force in a justifiable manner. In using armed force, however, special precautions must be taken.

Exploitation Rejected

3. Exploitation must give way to the principle of give-and-take. Solidarity should be the basis of Sino-Japanese economic co-operation, and rejection of exploitation should be the basis of solidarity. As exploitation is a product of Western capitalism, it would be extremely absurd to stop to it at a time when the material civilization of the West is at an impasse. Great multitudes of the Chinese people are utterly exhausted, and their economic life is in peril. They must be restored to economic soundness by means of medicine and nourishment. Japan must be magnanimous enough to give them what they need, and at the same time their personality must be duly respected. They must be befriended.

4. Independence and honor must be upheld. No longer is there any Japanese who dreams of annexing China. It must be remembered that the Chinese are especially susceptible where their honor is concerned. This requires caution. The Chinese must be allowed to see clearly the real intentions of Japan toward them. It is essential to have them accept without equivocation Japan's fair and just right to exclude all enemies of human co-operation.

5. What is right must be right. When the warlords of China were very powerful, they had to be approached in the enforcement of Japan's China policy. What were the results? As Japan now aims at promotion of the welfare of the masses, it need no longer follow the old practice.

6. The old warlords in China exploited the masses of their country only to enrich themselves, giving no thought to the welfare of others. They were worse than useless. They have been replaced for the most part by new warlords under the leadership of General Chiang Kai-shek. Great hopes are entertained of their united action, but their statesmanship is hopeless. The Japanese troops in North China need not make use of these new warlords.

Must Be Cast Aside

7. Professional pro-Japanese Chinese must be repulsed. There are several groups in China of one-time students in Japan who profess to be pro-Japanese. Standing between Japan and the Nanking Government, they give the appearance of working in the interests of better Sino-Japanese relations, or they fawn upon the Japanese Government and wish to do whatever it bids. In reality, however, they are hindrances to improvement of relations. They must be cast aside and replaced with reliable and respectable Chinese.

8. The feeling of superiority must be thrown aside. There are some Chinese who are displeased with the attitude of certain Japanese who dare to conduct themselves with a superior air. The personal worth of the Chinese must be given due recognition, and they must be looked up to with sincere respect.

The *Jiji* then devoted considerable space to a criticism of what they termed the "new militarists" who are exploiting the 400,000,000 people of China and declared that the policies of these leaders are incompatible with that of Japan who seeks to make the Chinese people happy. The reported change of attitude on the part of certain of China's leaders, in the opinion of the Japanese, "was merely a trick," and if these Chinese leaders were but given a chance they would shortly be demanding that Japan cancel the unequal treaties and restore the lost territories even though Japan dealt with these leaders fairly and justly, Gen. Chiang Kai-shek and his followers would never turn pro-Japanese . Japan must not be taken in by the sham of their professed friendship and on her own initiative, Japan must work for the creation of a paradise based on Sino-Japanese co-existence and co-prosperity, starting in the area where it can do so with most ease and expanding little by little, compelling the Chinese warlords it encounters to turn pro-Japanese or get out . . it is in North China that Japan's policy can be applied best, for if that area can be made safe for life and residence for both Japanese and Chinese and becomes a mart for the free exchange of the manufactured and natural products of Japan and Chnia, the policy of Japan in achieving lasting peace in the Far East through cooperation of Japan, China and Manchukuo, will be advanced
The success of Japan's development on the Continent will depend greatly on the results of its policy in North China."

The reader of these paragraphs doubtlessly has noticed that there was no mention in these forecasts of the new policy, of the earlier declaration of Major-General Hayao Tada, Commander of the Japanese garrisons in North China of Japan's intention to foster a separatist policy in North China, involving the five provinces of Hopei, Shantung, Shansi, Chahar and Suiyuan. But this lack was supplied by Major-Gen. Kenji Doihara, chief of the Kwantung Army's special service

department, at Mukden on Sept. 29. Gen. Doihara's declaration was made following his return from an inspection trip to Inner-Mongolia and a conference with Gen. Jiro Minami, Commander-in-Chief of the Kwantung Army. Gen. Doihara declared, "I believe that the organization of an autonomous administration involving the five provinces of North China will greatly facilitate the restoration of peace and order". Gen. Doihara also declared that it was necessary for Japan to extend "cultural guidance" to the Mongols.

INSPIRATION BEHIND STATEMENT OF GENERAL TADA

The Tokyo Foreign Office on Oct. 7 issued a statement which was cabled abroad by the foreign correspondents, to the effect that the Foreign Minister, Koki Hirota "dissociated" himself from the views on Japanese policy in North China which had been expressed by Major-Gen. Hayao Tada, commander of the Japanese garrison in Tientsin. Hirota's statement was issued in response to questions asked by foreign correspondents as to whether the Foreign Office concurred with statements issued to the press that Japan intended to foster an independence movement involving the five northern Chinese provinces. Similar inquiries were made at the Tokyo Foreign Office by Gen. Chiang Tso-pin, Chinese Ambassador to Japan. Hirota attempted to sidestep a direct reply by claiming his only knowledge of the Tada statement had been derived from newspaper reports.

The statement of Gen. Tada on Japanese policy was issued to the press in Shanghai by the Japanese *Rengo* service on the evening of Sept. 25, the Rengo message consisting of a brief summary of a 7-chapter booklet on Japanese policy which had just been issued by the Commander of the Japanese garrison at Tientsin. Space is not available for a complete reprint of the Tada statement, but the following is a summary of the important points:

> "The creation of a new political organization in North China, politically and economically unconnected with the Central Government was counselled by Major-Gen. Tada today.... the declaration was made to a group of some 20 Japanese newspapermen, most of whom had been brought to Tientsin from Peiping in Japanese military planes for the purpose....the 7-chapter booklet emphasized Japan has no territorial ambitions in China; that any views to the contrary run afoul of the policeies of the Japanesee military authorities.. the pamphlet charged, however, that despite orders issued by the Central Government following the recent North China controversy, that anti-Japanese activities still continue....these activities are but a manifestation of 'the attitude of Gen. Chiang Kai-shek and his faction and anti-Japanese acts are bound to recur unless Gen. Chiang annd his followers are overthrown'....Japan should not be deceived by the 'false attitude of Gen. Chiang and his faction... Tokyo must base its policies on Chinese actualities....In addition to the remnants of the Kuomintang organs and the 'blue-Shirts' officials of some departments of the Government are secretly directing moves calculated to prevent Sino-Japanese rapprochement....these officials are harbored by the Ministries of Industry, Finance and Railways... The pamphlet urged the creation of a 'paradise of harmonious Sino-Japanese relations in an area where the policy can best be applied and then gradually extended to other parts of China later on....North China fulfills all conditions as 'testing ground'....question whether Japan could prosper abroad depends upon her success in solving North China problem....Booklet stressed need for respecting China's independence and saving her 'face'
>
> spirit of 'take' should be replaced by 'give'.... should be no thought of annexation....Japanese must abandon attitude of superiority over Chinese ...Japanese must stop smuggling their products into China....Japan should strongly oppose the professional 'pro-Japanese' elements in China....Gen. Tada expressed fear of another 'Luanchow' affair since Blue Shirts and outlaws are increasing in North China....To put an end to these activities it will be necessary to create a new political set-up, politically as well as economically, separated from Nanking... North China's revenues amounting to Yen 130,000,000 (from Customs?) should be sufficient to maintain new set-up... North China has always been exploited by Gen. Chiang Kai-shek and his group and more than half this sum has been transmitted to Nanking
>
> . the result has been the impoverishment of the masses
>
> . Japanese Army must do everything in its power to rescue the sufferers, if only in the interests of Justice... There must be cooperation between China and Japan in preventing the sovietization of China by the Soviet Union Tada's booklet consisted of 7-chapters: Introduction, Fundamenntal Principles of China Policy, Japan's attitude toward China, Kuomintang and Gen. Chiang, Sovietization of China, Importance of North China policy and Conclusion."

In view of the attempt of the Tokyo Foreign Office to disavow responsibility for the declaration of the Commander of the Japanese garrison troops in North China, it is of value to call attention to the fact that the Tada declaration was issued simultaneously with a somewhat similar declaration in Tokyo which was published in the *Asahi Shimbun* on Sept. 24 as emanating from a spokesman of the War Office:

> "The just and fair policy of the Japanese Army which fundamentally aims at extension of relief and promotion of welfare and happiness for the Chinese masses in North China has been consistent throughout. The Army recognizes it is necessary to employ legitimate power and authority in order to exterminate injustice in the region.
>
> "Improvement of conditions in North China which is essential to pave the way for co-existence between Japan, Manchukuo and China should be gradually attained by the power of the North China masses. Use of power and authority by the Japanese Army for ousting from North China the Kuomintang and the Chiang Kai-shek regime interferring with the above-mentioned improvement of conditions will be unavoidable.
>
> "The North China policy of the Japanese Army based on the above fundamental principle consists of the following three points:
>
> "(1) Thorough removal of anti-Manchukuo and anti-Japanese elements from North China.
>
> "(2) Independence of the North China economic right (In order to extend relief to the North China masses, the finance of North China must be removed from the control) of the Nanking Government.
>
> "(3) Prevention of sovietization through military co-operation between the five North China provinces.
>
> "For these purposes the political machinery of North China has to be revised and firmly established. As the first step a guiding hand hts to be extended for organization of a united self-governing body among the five provinces in North China."

Beginning on Sept. 24 the Tokyo newspapers printed almost daily references to Japan's new policy which was under the consideration of the Cabinet. On Sept. 28 the *Ashi Shimbun* published a still further version to the following effect:

1. In taking up fundamental readjustment of Sino-Japanese relations concreate measures be taken with the chief aim directed toward realization of positive political and economic co-operation between Japan, Manchukuo and China.

2. In North China which is adjacent to Manchukuo realization of positive economic co-operation be hastened, and at the same time joint efforts among the three countries be directed toward prevention of sovietization so that the special position of North China may be firmly established.

3. In Central and South China all anti-Japanese activities be dispensed with and realization of positive Sino-Japanese co-operation be achieved.

4. Not only in North China but in the whole of China all plots aiming to disturb peace and order, regardless of whether such plots are born internally or come from foreign sources, be excluded with China's co-operation on the basis of the national conviction that Japan is a stabilizing influence in East Asia, and in this way efforts be made to establish lasting peace.

The *Asahi* declared that Japan's fundamental policy toward China was fixed in December, 1934 when there had been "mutual agreement" between the Foreign, War, Navy and Finance ministers regarding steps to be taken. Then came the incidents of June this year in North China which constituted a "turning point" in the Chinese political situation. This necessitated a further change in policy, which was the cause of the recent Cabinet conferences, and, naturally, the issuance of the Tada pamphlet in Tientsin. According to the *Asahi's* survey the new policy would contain 10-points, aiming to secure Japan's future cooperation with China and establishing a basis for further developments in future. The *Jiji Shimpo* followed along on Oct. 1 with a statement that the "fundamental principles of the War Office policy is to provide a means for the reasonable development of Japan in North China; to emancipate the oppressed peoples in that region and in the Far East generally, provide peace and work . . thus the honor of the people will be safeguarded and their independence guaranteed and their amity toward Japan established and their political, economical and military relations with the Japanese Empire made closer. . . ."

As these statements of official Tokyo policy all coincided in their main aspects with the declaration of Gen. Tada, there is no particular use in paying further attention to the attemps of Japanese apologists to disavow the Tada statement as an unauthorized declaration of a subordinate military commander. But before concluding this phase of the subject, we present the following further version of the Tada declaration which appeared in the *North-China Daily News* (British) on Oct. 4, the declaration being preceded by several paragraphs stating that Japan's holy mission was to maintain "eternal peace" in the Orient and amancipate and protect all Oriental nations from the oppression of the White races of the world. According to this version Gen. Tada preceded his statement with an allegation that the Chinese people are a "pitiable, cringing sacrifice of the relentless demands of hungry militarists and of Gen. Chiang Kai-shek, the Kuomintang and Gen. Chiang's own 'capitalist' group. The Tada declaration, as published in the *N. C. D. N.*, was substantially as follows:

The perfidiousness and immorality of the Chinese Government is illustrated by the fact that it has apparently forgotten all Japan's past benefactions towards China, benefactions which have saved China from dismemberment by foreign powers and ignominous colonial rule by foreign nations. To make matters worse, China to-day regards Japan as an enemy, ignoring Japanese rights and interests in the country. Furthermore, China has persisted in attempting to intrigue with foreign nations to effect the destruction of Japan, taking advantage of Japan's present extremely critical situation.

Japan's Eight Points

This being the present situation, General Tada's statement goes on to outline the policy of the Japanese Army in China, in an eight point programme:

1. Japan's attitude towards China must always be fair and impartial.

2. Japan's policy must be supported and implemented by means of strong pressure continually exerted upon China.

3. With regard to trade and commerce, Japan must institute a "giving policy," not one of mere exploitation: commodities must be exchanged freely on a mutually profitable basis.

4. Japan must respeect the independence of China and the maintenance of freedom of the Chinese people.

5. Japanese authorities must not trust too implicitly to personalities, as they can easily be led astray. Polices must be judged by actual results only.

6. All military groups, new and old, in North China, as well as officials who extort money unjustly from the people must be eliminated.

7. Japan must work for the elimination of "professional anti-Japanese politicians" in China.

8. Mistaken ideas of superiority, both on the Chinese and the Japanese sides, must be corrected.

On Oct. 1, a few days following the issuance of the Tada declaration on Japanese policy, the Headquarters of the Japanese garrison in Tientsin issued a statement through *Rengo* which stated that certain deposed Chinese militarists from Manchukuo "had drifted into the Demilitarized Zone and had started agitations for the creation of an autonomous administration is Hopei province." The Japanese military headquarters declared that while the Japanese army was familiar with the activities of these Chinese "rebel" elements, the Japanese army had no relationship with these elements and their future plans. The Japanese statement was to the following effect: "While it is not within the province of these headquarters to interfere in the internal affairs of China, we cannot leave unnoticed any condition that may lead to a disturbance of the peace in the Peiping-Tientsin area or oreat a threat to our residents. Moreover, if there are any Chinese elements who brazenly claim false relations with the Japanese Army, we shall have to put a ourb to them in the interests of the honor of the honor of the *service.*"

WHERE WILL THE JAPANESE ARMY STRIKE FIRST?

Elesewhere in this issue of *The Review* appears a summary of developments concerning Sino-Japanese relations at Swatow in South China and at Hankow in Central China. That these developments are intimately concerned and connected with future moves of the Imperial Japanese army in north China is obvious because Japan's objective in stirring up trouble in South and

Central China was for the purpose of intimidating the Chinese in those sections and preventing them from offering opposition to what Japan is planning to do in the North. At Canton the Japanese have intervened with their Navy in support of several thousand Japanese and Formosan smugglers who have practically broken down the Chinese customs barriers. The demands which the Japanese have presented at Canton involve interference in the domestic affairs of the province to such an extent that the provincial authorities cannot agree without abdicating their right to govern. At Hankow the Japanese navy has followed a somewhat similar course by demanding the dismissal of a high Chinese official, an act which would not be countenanced by any self-respecting nation anywhere.

Coupled with Japan's plans for military moves in North China have been reports that the Japanese Ambassador, Akira Ariyoshi, recently suggested to the National Government that Japan might "soften" her future action "if China would recognize the puppet state of Manchukuo." Whether this report was correct is not known, but he situation obviously has gone too far for China's recognition of the puppet Manchurian state to do any good at this late day. Japan's plans to strike and strike hard are being perfected and in the continued absence of any resistance on China's part, it it is more than likely that Japan will be in effective control of much of the territory to the north of the Yellow River (old course of the Yellow River), including Hopei, Shanghai, Shansi, Chahar and Suiyuan. Japanese military control of these territories with the right of establishing air-bases in North China will naturally make it difficult for China to maintain bases of resistance, even in the far western regions of Szechuen, Shensi and Kansu.

French Give Half-Hearted Support to Britain While Italians Advance Rapidly in Ethiopia

EQUIPPED with the most efficient means of transport ever used by any army anywhere, tested out in their own Alpine terrain, similar to that of Ethiopia, and supported by weapons of war of the lastest design both on land and in the air the Italian legions in Africa are advancing at a rate that has astounded the most optimistic friends of the Ethiopians. The historic city of Adowa, where the Italians met a severe reverse in 1896, was stormed and taken by the Italians Oct. 6 after operations lasting only about 48 hours, with tremendous slaugther of the defenders. This was followed up by the rapid occupation of other important points. The holy city of Aksum, 20 miles west of Adowa, was captured Oct. 8, the Italians by that time having esablished a line 70 miles long on the Tigree front. Confident reports from Addis Ababa of various Ethiopian successess may, we believe, to a large extent, be discounted. Haile Selassie, the Emperor, was quoted in a telegram from the Ethiopian Capital Oct. 8 as having said that the mountain lines must be defended and would be with a million men. A telegram from Addis Ababa at the same time, however, stated that the foreign population there was expecting an imminent Italian air raid and was fleeing pellmell, taxing the capacity of the only railway line running out of the country (to Jibuti in Frenth Somaliland) beyond its capacity, thus disappointing those who tried to get away quickly. The refugees include practically every nationality in Europe and some Americans, who had been engaged in various lines of business, largely exports, such as hides, civet, and minerals. Just as was the case with the Russian population in Dalny in 1904 and the German population in 1914-15, in both cases the cities being invested and eventually captured by the Japanese, the refugees will lose practically all the fruits of their many years of trading in a foreign land. A telegram from Geneva Oct. 8 stated that a sensation had been caused there by Teckle Hawariat, the Ethiopian delegate, informing the League of Nations that his government had ordered Count Vinci, the Italian Minister at Addis Ababa, to leave the country immediately. Mr. Hawariat alleged that the Italian Legation at Addis Ababa was nothing but a center of espionage and intrigue, and that legation officials had plotted against public order in Abyssinia.

Italy, following the example of Japan in Manchuria, has not made a formal declaration of war. There are also many other parallels between the Italian moves in Ethiopia and the Japanese onslaught in Manchuria. A slight point of difference is that the Ethiopian Emperor has already given up hope of receiving any practical aid from the League of Nations, whereas China, trustingly but vainly, did not give up hope until the last. Although by the unanimous verdict of the Council of the League of Nations, October 9, Italy was outlawed morally from the comity of civilized nations and a decision was reached to apply Art XVI, according to which a plan of economic sanctions against Italy is to be prepared, Emperor Haile Selassie was not impressed with the news. He told the *United Press* that he had little confidence in the idea that the League would be able to restrain Signor Mussolini and failed to share the opinion of his advisers that French diplomacy would halt the Italians now that they had captured Adowa.

That the Ethiopian Emperor had good reason to be mistrustful of the League giving him any real assistance is to be inferred from the various cautiously worded telegrams from London, France and Geneva. The telegrams from Rome are in quite a different vien. A *Havas* message from Rome Oct. 8 quoted the Secretary of the Fascist Party as stating that 1,200,000 young Fascists were waiting with eagerness to be sent wherever it might be necessary, no matter against whom. Naturally enough the news of the capture of Adowa has had an electrifying effect on the Italian population.

The crux of the whole matter as to what action the League will eventually take against Italy rests on the attitude of France. So far the French Government has indicated only conditional support to England, which has definitely taken the position that it will not take any action unaided. The situation at the moment is that the British are considerably disappointed at the reply given by the French Government to the British Government's query as to whether support would be forthcoming from France in the event of an unprovoked attack on the British fleet in the Mediterranean. The French Government replied in the affirmative, but with important provisos attached. The French Note, according to a special *Reuter* telegram to the *North China Daily News*, emphasized that the obligations of assistance which are contemplated must be reciprocal between Britain and France. They should be effective, it added, only after a joint investigation into the circumstances. The reply of the French Government was regarded disappointing and not so satisfactory as had been hoped. The reply "did not appear to be strongly related to the contingency that the British Government obviously had in mind. France declared that the application of assistance must apply to the aggression State, whether it was a member of the League of Nations or not, thus asking Britain to undertake assistance in the event of German aggression. It is likely that questions will have to be submitted to France with a view to clarification, with the wide issue now raised. A further exchange of views between Great Britain and France is expected in consquence of the nature of the French reply. It is stated that whereas Britain had only made reference to a specific situation, the French reply was general in scope, placed the inquiry concerning assistance on a reciprocal basis, and greatly widened its application. Britain, therefore, wanted a more concrete definition of the French attitude concerning certain points."

Thus matters stand at the moment. The strongest Powers in the League protest friendship for each other—and continue to haggle over details. In the meantime the Italians keep advancing in Ethiopia—just as the Japanese did in Manchuria in 1931-1932.

The United States, althought having declared itself neutral in the present dispute, has so far been the only country that has taken any definite steps towards exerting pressure that would tend to bring the Italo-Ethiopian dispute to an end. The Government-sponsored Second Export and Import Bank announced Oct. 8 that it would not grant credits for the sale of goods to Italy and Abyssinia. The ban was described in a telegram from Washington as "a definite decision of policy", which will only be changed when conditions change. On Oct. 5 President Roosevelt issued a proclamation bringing into force an embargo on the export of munitions to both belligerents.

The New York Port Development Committee, however, dispatched a telegram to the President strongly protesting against the recently announced discretionary embargo (that any transaction with either of the belligerents will be at the seller's own risk) as "seriously damaging to the commerce of the country and the trade of the port."

Sun Fo Sees No Prospect of European War Arising Out of Ethiopian Problem

Sun Fo, President of the Legislative Yuan, in an interview in Shanghai Oct. 4 stated that with Great Britain and France disinclined to apply positive sanctions, the present Italo-Abyssinian open hostilities are not expected to develop into major proportions involving leading European nations. Under such circumstances, there shall be no immediate repercussions in the Far East, and an international conflict will be unlikely.

The League of Nations, according to Sun Fo, will probably confine itself to moderate measures, and refrain from the application of positive sanctions, and not go beyond expressing its moral indignation against the aggressor for the sake of upholding international justice. In his opinion, the anxiety felt for what is believed to be an impending world war is not justified by existing European conditions. Great Britain and France, said Mr. Sun, would be unwilling under the circumstances to apply any positive sanctions in the present Italo-Abyssinian conflict, and are not likely to take any action which might lead directly or indirectly to their active participation in the Italo-Abyssinian hostilities.

Chinese Fear Further Aggression in China As Result of Italo-Ethiopian Conflict

"The prologue of a second world war is now under way," the *China Times* declared editorially in commenting on the outbreak of hostilities between Italy and Ethiopia. It expressed the opinion that, whether or not the East African hostilities would develop into a war between Great Britain and Italy and ultimately into a second World War depends on the moves to be made at No. 10 Downing Street. While direct condemnation of the Italian invasion into Ethiopia—a case which Chinese observers and public are inclined to compare with the Manchurian Incident —is not allowed by the National Government, the Chinese press in Shanghai reflects the general opinion existing among Chinese that further Japanese aggression against China may be expected now that the European powers are preoccupied by the situation right in front of their own doors.

Italians Depart from Tientsin for African War Front

A large exodus of Italian marines and youths who have been summoned to participate in the Italo-Abyssinian war took place from Tientsin during the week. Prior to their departure the Italian Marines, all armed, paraded along the main streets in the Italian Concession.

Japanese Rayon, Camphor and Hat Industries Will Benefit

Japanese traders are confidently expecting a boom in the exports of cotton and rayon textiles, provisions and miscellaneous goods to African ports, as a result of the Italo-Ethiopian war.

The passenger ships of the Nippon Yusen Kaisha are contemplating to omit Naples from their ports of call in case the situation in Africa becomes increasingly serious.

Japanese Press Compares the Ethiopian with Manchurian Dispute

A Tokyo Foreign office spokesman declared Oct. 7 that Japan had not formally considered issuing a proclamation recognizing that a state of war exists in Ethiopia.

Meanwhile, news of the fighting in Ethiopia has overshadowed all other news in the Tokyo dailies. The *Yomiuri Shimbun* in a leading article said that at the time of the Manchurian incident the western nations lacked information on the situation in question, while at the present time the same nations apparently possess too much information regarding Ethiopia. Where are such men as M. Edouard Benes and Colonel Joseph Beck, who proved themselves so noisy against Japan during the Manchurian issue," the article asked. "Are they now keeping silent when they should howl? If so, it seems very cowardly."

Italy Buys Wheat and Rice in Shanghai

One hundred tons of rice, wheat, flour and other foodstuffs were shipped to Italy on the Lloyd Triestino liner *Conte Verde*, when she sailed from Shanghai Oct. 9. Prices of wheat and flour have been soaring locally of late. Import of wheat into China has been curtailed for some weeks since war preparations have been rushed by Italy and Ethiopia. Several Chinese flour mills in Shanghai have been forced to suspend operation because of the shortage of wheat supply. The price of cotton has also risen sharply.

"Chicago Tribune" Correspondent Succumbs in Abyssinia

Wilfred Courtenay Barber, special war correspondent of the *Chicago Tribune* in Abyssinia, who was formerly stationed in

London as assistant correspondent, died in Addis Ababa, Oct. 6 following an attack of malaria contracted during a visit to Ogaden, in south-east Ethiopia, where he investigated Abyssinia's preparations for war.

Japanese and Italian Sailors in Brawls in Shanghai

The Italo-Ethipoian dispute has had a reflex in Shanghai in that there is increasing tension between the Japanese and Italian sailor groups. The most serious incident to occur was one which took place in a cafe along Chapoo road during the night of Oct. 7, when several Japanese were badly beaten.

American Warships Prolong Stay at Hongkong —Coordination With Britain?

The continued presence in Hongkong of the Thirteenth, Fourtheenth and Fifteenth Divisions of the United States Navy's Fifth Destroyer Squadron, for a period considerably longer than expected, according to the *United Press*, was considered as significant by observers in view of the fact that the Orient has been practically denuded of British warships, numbers of which are known to have proceeded to the Red Sea and the Mediterranean. Rumors that three or four of the larger ships of the United States Navy were due in Hongkong shortly lent strength to the opinion which linked the visit of the destroyers to the absence of British men-of-war. The fact that the American warships have been virtually based at Hongkong had given rise to the belief in some quarters that an Anglo-American arrangement prevails by which fleet movements of the two nations in the Far East have been co-ordinated.

A *Reuter* message from Hongkong Oct. 8 stated that the British naval authorities strongly denied American press reports from Washington to the effect that the United States destroyer squadron at present in Hongkong will be stationed in the Colony for the protection of British interests.

Hawaii Is America's First Line of Defence, Says War Secretary Dern

The Hawaiian Islands are America's first line of defence in any war, declared Secretary of War Dern in a speech at Hawaii, Oct. 4 Asserting that the prospects of everlasting peace had faded in the past few months, the Secretary emphasized that the scrapping of the United States naval building program would not promote peace. Mr. Dern is en route to Manila for the inauguration of the Commonwealth Government.

Soda Shipments from Africa to Japan Affected by War

Japanese despatches point out that among the business organizations which have been unfavorably affected by the Italo-Ethiopian hostilities have been soda manufacturers, who depend upon East Africa for salt supplies. Out of the 1,200,000 tons of industrial salt annually imported by Japan, almost two-thirds come from Eritrea, Somaliland, Egypt and Spain. Difficulties in loading salt for shipment to Japan have already been experienced in the past few weeks because of the shortage of labor in Africa. The soda industry is now expected to rely largely on the product of the Kwantung Leased Territory, Manchukuo and Tsingtao, which now supply about 350,000 tons annually. Large orders for salt have reportedly already been placed by Japanese consumers in Java, Siam and the United States.

Japan Will Try to Convert "Red Ink" Bonds

Conversion of the Yen 500,000,000 worth of "red ink" bonds, due for redemption in the current and next fiscal years, for securities bearing lower interest are to be attempted by the Tokyo Ministry of Finance. The £6,000,000 debentures of the South Manchuria Railway Co., redeemable on January 1 next, will be among the securities to be converted. Officials of the Exchequer, however, express fears that the demand for cash redemption of bonds may be so large as have serious effect on the national treasury.

Cabinet Discussion of Budget Delayed Till November

The biggest budget in the history of Japan, calling for the expenditure of Yen 2,800,000,000, will be presented to the Cabinet for discussion after the annual grand Army maneuvers, in the latter part of November. The decision to delay the Cabinet examination of the budget till that time was reached at a meeting Oct. 4 attended by Korekiyo Takahashi, Finance Minister; Sir Juichi Tsushima, Vice-Minister of Finance; and Kogi Kaya, Director of the Accountancy Bureau. Of the Yen 2,800,000,000 being claimed by various departments of the Government, nearly a half is being demanded for national defense by the Ministries of War and Navy.

Japanese Government to Aid Japanese Oil Firm in North Saghalien

Officials of the Bureau of Mines of the Ministry of Industry and Commerce Oct. 2 approved a plan for an increase in the Governmental subsidy to the North Saghalien Petroleum Company for the expansion of its present fields and the prospecting of new areas.

German Economic Mission Due in Japan on Oct. 31

A German Economic Mission to the Far East will leave Hamburg Oct. 12 and is due to arrive in Japan on Oct. 31. The group will include many prominent officials and will visit Japan, Manchukuo, China and Siam.

Seiyukai Predicts Clear Victory in Current Elections

Leaders of the Seiyukai, majority party in the Lower House of the Diet, were jubilant Oct. 7 as returns from prefectural elections indicated a clear-cut victory for their followers.

Reports from 35 out of 46 prefectures gave the Seiyukai, the president of which is K. Suzuki, a lead of 26 seats over the Minseito, the second strongest party.

Seiyukai spokesmen predicted that when final results are tabulated, their party will have at least 50 more successful candidates than any other organized group and claimed that this performance would be repeated, if not improved, at the general elections for the House of Representatives next spring.

Failure of the Kokumin Domei, the third largest group in the Lower House, which at one time showed Fascist tendencies, and which elected only nineteen members was also held significant by these Seiyukai partisans, who saw the choice of the electorate limited to candidates of the two major parties.

Japanese Spinning Industry Shows Drop in Profits

Profits of the 61 major Japanese companies, comprising the Nippon Cotton Spinners Association, during the first six months of 1935 amounted to Yen 35,732,445, a drop of Yen 1,332,445, in comparison with the latter part of last year, a survey issued in Osaka Oct. 8 revealed.

Chinese Bankers and Industrialists Lavishly Entertained in Tokyo

A Chinese Economic Mission departed from Shanghai for Japan on Oct. 6. The mission, including more than a score of China's leading bankers and industrialists, is headed by Wu Ta-chuan, of the Yien Yieh Bank. Among the organizations represented on it are the Bank of China, the Shanghai Commercial and Savings Bank, the Kincheng Banking Corporation, the Bank of Communications, the China Merchants Steam Navigation Company and the Shanghai and Hankow Chambers of Commerce. Tokyo organizations prepared an elaborate program of welcome, including a tea party given by Koki Hirota, Foreign Minister, and a dinner by Baron Kishichiro Okura, the head of the vast Okura interests.

Various Japanese business and industrial organizations also made arrangements to meet the visitors for an exchange of views on the economic relations between the two countries. These included the Japan Economic Federation, the Japan Industrial Club, the Japan Foreign Trade Association and the Japan Chamber of Commerce and Industry.

On Oct. 11 and 12 the visitors are to be entertained at luncheon parties given respectively by the Tokyo Chamber of Commerce and Industry and the Bankers Club. In the evening of the latter day they will attend a dinner given by the Sino-Japanese Round Table Conference. On Oct. 13 the mission will be honored at a dinner party given by Baron Okura.

"Shanghai Mainichi" Warns Against "Tricks"

Commenting on the departure of the Chinese Economic Delegation to Japan, the *Shanghai Mainichi* expressed its belief that, by getting acquainted with the present situation in Japan, the members of the delegation, who are leaders in economic and financial fields in China, will devote themselves to the readjustment of Sino-Japanese relations. The paper further earnestly hopes that the members of the Mission will gain a thorough understanding of Japan. The *Mainichi* incidentally commented:— "If the delegation will merely make a tour of inspection in Japan, and not play any tricks, then they will be welcomed by the Japanese authorities and public, who will provide every means for a complete inspection of financial, economic and industrial conditions of the country and in this way it will not be difficult to secure an exact understanding of Japan. "However, if the delegation will try to materialize Sino-Japanese cooperation in the way expressed by Wu Ting-chan, and will work for its realization while in Japan, then the Delegation will be deplorably disappointed."

Sino-Japanese "Wedding" as a Result of Sino-Japanese Rapprochement

When he was visited by Wu Tin-chan, Head of Chinese Economic Delegation to Japan, on October 3, Major-General *Isogai* expressed the hope that the visit of the Chinese delegation to Japan would mean the wedding of Japanese and Chinese interests, and that such a wedding would produce an offspring which would be Sino-Japanese rapprochement.

Dr. T.T. Li Describes Japanese Press Developments at Nanking Reception

A sketchy picture of the present press developments in Japan was presented by Dr. T. T. Li, Director of Publicity and Intelligence of the Ministry of Foreign Affairs, at a reception given in his honor by the Nanking Journalists Institute at the newly-opened Metropolitan Hotel in Nanking Oct. 4. Dr. Li declared among other things that in contrast with the former strict censorship imposed on the Japanese press by the government, the present policy is one of toleration for a free press.

With regard to the rapid strides made in journalistic enterprises in the Island Empire, Dr. Li stated that according to investigations conducted in 1933 there were altogether 1,179 dailies in Japan. Of these 208 were in Tokyo and 90 in Osaka, which number constitutes one fourth of the total.

Showing that the press in Japan is doing everything within its power to bring the news up to date, Dr. Li declared, most of the big dailies in Japan issue evening editions, besides which they also issue local editions for the various important cities in the Empire.

As to the circulation of the important newspapers, Dr. Li reported, the *Tokyo Asahi* has a circulation of 1,100,000 copies, the *Tokyo Nichi Nichi* 1,000,000, the *Osaka Asahi* 1,300,000 and the *Osaka Mainichi* 1,200,000.

The leading journals, Dr. Li continued, are well equipped, The *Asahi* for instance, has, besides the most up-to-date machinery, 19 airplanes, 500 carrier pigeons, and 2 telephoto machines. It is also equipped with long-distance telephone.

T'ang Leang-li to Proceed on Press Mission to Europe

T'ang Leang-li, Adviser to the Ministry of Foreign Affairs, has been conferred the rank and status of Envoy Extraordinary and Minister Plenipotentiary and will shortly proceed on a special mission to Europe to study conditions concerning publicity and the Press.

Admiral Murfin Succeeds Admiral Upham in Command of Asiatic Fleet

The formal ceremony by which Admiral O. G. Murfin succeeded Admiral F. B. Upham in the command of the Asiatic Fleet of the United States Navy, took place on board the U.S.S. *Augusta* in Shanghai harbor Oct. 5.

The entire crew of 650 men was summoned to their respective stations for the ceremony. Admiral Upham made a brief speech, to which Admiral Murfin suitably replied. Both read their orders to the assembled company. A chief quartermaster brought a new fleet commander's flag, which was presented to the incoming admiral.

Admiral Murfin arrived in China on Sept. 24 in the *President Coolidge* accompanied by his wife and daughter. He has been in the Orient once before, in 1915 when he was executive officer in the *U.S.S. Saratoga*, later known as the *Rochester*, and for many years a station ship in Shanghai.

The retiring admiral and his wife are returning to America on the *President Coolidge*, which sailed from here Oct. 8. Admiral Upham will report to Washington for new duties there. He retires in another year.

Comm. H. D. Bode Arrives in Shanghai to Take Command of the U. S. S. "Tulsa"

Commander H. D. Bode, with his wife, arrived in Shanghai from Europe on the s.s. *President Coolidge* Oct. 7. Comm. Bode is the new commander of the U. S. S. *Tulsa*. He was previously assistant Naval Attache to the American Embassy in Berlin.

"Shanghai Mainichi" Discusses Independence of the Philippine Islands

Commenting on the development of the independence movement in the Philippine Islands, the *Shanghai Mainichi* heralds the formal assumption of office by the new president Senor Manuel L. Quezon as an epoch-making event in the history of the Orient, and regards it as a warning bell awakening the peoples of East Asia.

Dwelling on the opinion that because the United States is encouraging the Philippine Islands to establish an independent government, she is withdrawing her influence from the Far East, the Japanese daily states, "This statement is only partially true. On the one hand, the abandonment of the administration of the Islands by Americans is a gesture on the part of the United States to abandon a place, where economic development has proved unfavorable to the interests of the native country. On the other hand, however, the American Government is shortening her line of defence by abandoning the Islands, and thus the efficiency of her national defence against the Far East will be strengthened."

Francis Zia, Well-Known Chinese Journalist, Dies at Age of 47

The death occurred in Shanghai Oct. 4 at the age of 47 following an attack of meningitis of Francis Zia, one of the best known and also best respected of Chinese journalists. He was born in Canton 47 years ago and followed the profession of journalism and letters exclusively ever since his graduation from St. Francis Xavier's College here in his teens. He is survived by his widow, three sons and three daughters. Two of the latter have taken vows as Catholic nuns.

The deceased was in former years editor of the *Canton Daily Sun*, in collaboration with L. K. Kentwell. Mr. Kentwell is now publishing *The China Outlook* in Shanghai and the issue of Oct. 5 paid a touching tribute to the late Mr. Zia. Mr. Kentwell recalled how in the Spring of 1927 (at which time Mr. Zia was editing the *China Courier*) about the time the Nationalist Army headed by General Chiang Kai-shek was nearing Shanghai, the local garrison commissioner and inspector-general of the five provinces, Gen. Sun Chuan-fang, had Mr. Zia kidnapped in the Settlement and taken to Lungwha. He would have been executed for his political stand the next morning after his arrest, had not fellow journalists both Chinese and foreign come to his rescue. Nevertheless, he had to suffer detention until being released upon the arrival of the popular forces supporting the Kuomintang regime.

Upon the invasion of the north-eastern provinces of China in 1931, Mr. Zia founded *Justice*, a tri-weekly, to present the case of China before public opinion of the world.

The deceased was held in the highest esteem in both foreign and Chinese journalistic circles. He was slight of build and exceedingly gentle in manner, but strong in character and ability.

Dr. Thomas F. Millard Ceases to Be Adviser to Chinese Government

It was announced in Shanghai Oct. 7 that the advisory association of Dr. Thomas F. Millard with the Chinese Government has been terminated. It is understood that Dr. Millard intends to resume his work as a writer and journalist.

Dr. Millard celebrated his sixtyseventh birthday this year, having been born in Phelps Co., Mo., July 8, 1868. He was educated at the Missouri School of Mines and Metallurgy and the University of Missouri, from which he received the degree of Doctor of Laws in 1929. His journalistic and literary abilities have led him into many fields. He was the founder and first editor of *The China Press*, daily newspaper established in Shanghai in 1911. He founded *Millard's Review* (now the *China Weekly Review*) in 1917. He is a veteran war correspondent, having represented *Scribner's Magazine*, *New York Herald*, *New York World* and *London Daily Mail*, etc., in the Graeco-Turkish, Boer, Spanish-, American wars, the Boxer Uprising, the Russo-Japanese war and the World War. He was unofficial adviser to the Chinese delegation at the Paris Peace Conference, 1919 to 1922, and has since that time been acting in an advisory capacity to the Chinese Government, dividing his time between China, America and Europe. He returned to Shanghai a fortnight ago after 16 months absence in the United States. He is the author of many books on the Far East, the most recent being entitled, "The End of Extraterritoriality in China." It is stated that he is now collecting material for another book.

London C.I.M. Prays for Messrs. Bosshardt and Hayman, Captive Missionaries

An inner circle of friends of the China Inland Mission in London is stated to be praying constantly for the safety and early release of the two missionaries, Rudolf Bosshardt, of Manchester, and his Australian colleague, A. Hayman, who have been in the hands of communist bandits in China for more than a year. It is principally for the information of this circle that cables are sent periodically from Shanghai to the mission headquarters in London. The last cable said:—"Situation is very critical."

Rapid Increase of Japanese Population in North China

There are 7,400 Japanese residing in Tientsin, according to latest estimates. Prior to the Manchurian incident, there were only about 700 Japanese there. At Shanhaikwan there are about 250 Japanese; in the Luantung region, 2,500. More Japanese are coming south of the Great Wall and are living around the railway line.

Canton Protects the Character of the Fair Sex

In compliance with a decree of the Kwangtung Provincial Government, the Provincial Department of Civil Affairs has ordered that henceforth no newspaper is allowed to print anything that will constitute a disparagement to the character of the fair sex. A disregard for this order will be met by strict punishment.

Japan Decides Upon New Policy Towards China; Gen. Chiang Kai-shek Arrives in Shensi

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Japanese Demand Removal of Wuhan Garrison Commander.**
2. **Swatow Incident Is Still Unsettled.**
3. **Chinese Economic Inquiry Mission Sails for Japan.**
4. **Nanking Protests Againsnt Disarming of Chinwangtao Customs Cruisers.**
5. **China to Open Telegraph Service With Manchuria November 1.**
6. **Sinkiang Authorities Deny Japanese Reports of Sovietization.**
7. **Ex-Sinkiang Chairman to Be Granted Special Pardon.**
8. **Military and Political Rehabilitation of Szechuan Under Way.**
9. **General Chiang Kai-shek Arrives at Sian from Chengtu.**
10. **Reds in Shensi and Kansu Suffer Serious Reverses.**
11. **Nanking Rejects Canton Proposals to National Party Meet.**

Japan's new policy towards China, which was first formulated through consultation between the Foreign Ministry and the Ministries of War, Navy and Finance was approved at a meeting held by the Cabinet Oct. 8.

The *Jiji Shimpo* states that the guilding principle of the new policy is the establishment of friendly co-operation between China and Japan, and the liquidation of anti-Japanese agitation in China.

Rengo reports that complete accord on Japan's new policy towards China has been reached by the Ministries of War, Navy, Foreign Affairs and Finance. The first three of these denartments will now dispatch representatives to China to inform their officials stationed in that country of the details of the new policy.

JAPANESE DEMAND REMOVAL OF WUHAN GARRISON COMMANDER

Negotiations undertaken by Yoshiaki Miura, Japanese Consul-General at Hankow, with General Chang Chun, Chairman of Hupeh for the settlement of the so-called "anti-Japanese poster" incident are deadlocked, according to a *Rengo* report.

The impasse was created when the Chinese officials refused to comply with the Japanese demand that they dismiss Major-General Yeh Peng, Garrison Commander. The incident arose when posters of an anti-Japanese and anti-foreign characteer, were displayed in a room in the barracks of the Wuhan garrison, when the soldiers' quarters were thrown open for public inspection on September 15. Bullet-ridden dummies, dressed as Japanese soldiers, one with the inscription "Japanese Soldier" and the other with the label "Revenge," were also found on the rifle range. Mr. Mura lodged his first protest on Sept. 17 and the second one on Sept. 21.

SWATOW INCIDENT STILL UNSETTLED

Reuter reports from Canton that the Swatow incident still remains unsettled. The Chinese authorities in Swatow are determined effectively to suppress smuggling, and continue in their refusal to comply with demands made by the Japanese consular officials for the release of seized Japanese rice. It appears that the Chinese authorities in Swatow are insisting that the matter is one of smuggling and that it is within their jurisdiction to handle. In addition to demanding the release of the seized rice, the Japanese authorities at Swatow are seeking the abolition of the provincial tax on imported Japanese rice.

Information emanating from the Executive Yuan states that the Sino-Japanese complications in Swatow will be adjusted locally and that as negotiations are being carried on between the Kwangtung authorities and the Japanese Consul-General at Canton, a settlement is expected to be soon reached.

In regard to the reported Japanese demand for the abolition of the import duty on Japanese rice, it is learned that the Government has decided to reject the demand should it be formally made, as its acceptance will constitute an impairment of the sovereign rights of China.

The Japanese authorities in Canton have asked the Kwangtung Provincial Government to revise the measures for the collection of a special tax on foreign wax, and demanded that officials who make extra charges on wax, which has already been taxed by the Collection Service, be punished.

TADA CONFERS WITH MINAMI AT WALL PASS

Major-Gen. Hayao Tada, Commander of the Japanese forces in North China, flew to Shanhaikwan Oct. 5 to confer with Gen. Jiro Minami, Commander-in-Chief of the Kwantung Army. Following his meeting with Gen. Minami, Major-Gen. Tada returned to Tientsin by airplane.

Meantime, Major-Gen. Seishiro Itagaki, assistant chief of staff of the Kwantung Army, also arrived at Tientsin Oct. 5 from Manchuria for a series of conferences with local Japanese military leaders.

The Tokyo Foreign Office dissociated itself Oct. 7 from the views on the Japanese policy in North China expressed by Major-General Hayao Tada, Commander of the Tientsin Garrison. In an interview with General Chiang Tso-pin, Chinese Ambassador to Tokyo, Koki Hirota, Foreign Minister, declared that all he knew of the statement attributed to Major-General Tada was what he saw in the newspapers and that he also saw a press denial of the declaration in question. General Chiang, who called at the Gaimusho to inform Mr. Hirota of his departure for China on or about October 20, asked if the Japanese officer's alleged declaration of September 24 expressed the views of the Tokyo Government. The statement made by Major-General Tada said that Japan would support a movement for the formation of an autonomous Government in the five provinces of North China.

Japanese policies toward China will be discussed by four high Japanese military officers who will meet in a conference in Dairen for two days beginning October 13, *Rengo* reported Oct. 7. Major-Gen. Yasuji Okamura, director of the Third Bureau of the Army General Staff, will speak on the latest developments in Japan, while Major-Gen. Hayao Tada, commander of the Japanese forces in North China; Major-Gen. Seishiro Itagaki, assistant chief of the Kwantung Army, and Major-General Rensuke Isogai, military attache residing in Shanghai, will report on the recent situation in their respective posts.

Tatouo Kawai, Japanese Consul-General in Canton, and Yoshiaki Miura, Consul-General in Hankow, will arrive in Shanghai on October 11 to meet Goro Morishima, chief of the first section of the East Asia Bureau of the Japan Ministry of Foreign Affairs, who is due in Shanghai on act. 13. It is understood that the Japanese officials will confer on the Swatow and Hankow incidents.

CHINESE ECONOMIC INQUIRY PARTY SAILS FOR JAPAN

The Chinese Economic Inquiry Mission sailed from Shanghai aboard the *s.s. Shanghai Maru* for Japan in the morning Oct. 6. The Mission under Wu Ta-chuan consists of Sung Han-chang, Huang Wen-chih, K. P. Chen, Tsow Min-chu, Chow Tso-min, Y. M. Chien, Yu Tso-ting, O. S. Lien, Chung O, Singloh Hsu, Tang Shou-min, Nan Kwei, Chu Shu-kang, Hu Chun-an, members; Tang Tsai-chang, Chin Kai, Yu Poh-yen, Wang Tze-min, Li Chih-shih, Li

Pei-tao, Wu Li-men, Cheng Yi-fah, Wang Yueh-ting, Kang Hsin-ming, Shao Shuhwa and Tung Lu-ching, technical experts; Miss Chow Hsiao-yun, Miss Chien Lan and Miss Lieu Ming-chu, daughters of Chow Tso-min, Y. M. Chien and O. S. Lieu respectively; and Chow Wen-pin and Chow Hsi-ching and Miss Yu Li-chen, secretaries.

In a written statement issued to the press prior to their departure, the Mission pointed out that the purpose of their [illegible] Japan is to investigate the economic and trade developments in view of the fact that the Island Empire has made rapid strides of progress along industrial lines ever since the Great War. They expressed the hope that the result of their investigation may lead up to definite efforts on both sides for a real Sino-Japanese economic rapprochement.

A Japanese Economic Inquiry Party, organized by leading industrial concerns of Japan, left Tokyo for China Oct. 7 and was scheduled to arrive at Tsingtao on Oct. 11. From Tsingtao, the party will leave for Tsinan on Oct. 13, and after spending two days there will proceed to Tientsin, arriving there on Oct. 15. On the following day, the party will continue their journey to Peiping. Following a three days sojourn in Peiping, the party will go on to Chahar, then Shansi and Hankow. On Oct. 29 the party will leave Hankow for Nanking. The investigators are scheduled to sail from Shanghai on Nov. 2 to return to Japan.

Concrete plans for the economic development of Chahar, Suiyuan and Inner Mongolia have been drawn up by the South Manchuria Railway Company, based on data gathered during the past two months by its numerous investigation parties. In addition to the Branch Office to be organized by the South Manrhuria Railway Company in Tientsin, an investigation bureau will be organized at Kalgan, one at Dolonor, and another one at Kweihua.

GEN. MATSUI IS COMING CHINA ON MISSION

Gen. Iwane Matsui, former member of the Supreme War Council and generally considered to be among the Japanese Army's leading authorities on China, left Tokyo for China Oct. 3. Although both Gen. Matsui and the Foreign Office denied that the trip has any political significance, political circles consider it significant that Gen. Matsui held several interviews with K. Hirota, the Foreign Minister.

In an interview with the press before his departure Gen. Matsui said that Japan could not assist China politically unless and until the latter realized the "vital necessity of co-operation among China, Japan and Manchukuo."

"Japan will be unable to consider making China a loan, so long as the latter continues her present policy of befriending those far away and fighting her neighbours," he remarked, adding that Britain and other Powers would be "unable" to her actual stand.

CHINA PROTESTS AGAINST DISARMING OF CHINWANGTAO CUSTOMS CRUISERS

The Nanking Government officially protested Oct. 8 against the disarming of two Customs cruisers in Chinwangtao by Japanese gendarmes on September 17. The representation was made by Tang Yu-jen, Vice-Minister for Foreign Affairs, to Yakichiro Suma, Japanese Consul-General here. Mr. Tang pointed out that smuggling was rampant in the area, making the presence of customs cruisers necessary, and requested that the objectionable action be not repeated. Mr. Suma rejected the protest on the ground that Chinwangtao was in the demilitarized zone and no Chinese armed ships were allowed in it.

CHINA TO OPEN WIRE SERVICE TO MANCHURIA NOV. 1

As a result of repeated negotiations between Chinese and Japanese authorities, the transmission of Japanese telegrams between China proper and Manchuria will be resumed from November 1 next, according to a *Central News* report from Tientsin.

Shanghai Mainichi reports that great surprise has been caused by the recent decision made by the Provincial authorities to abolish Kuomintang headquarters, because among the five provinces in North China, namely, Shantung, Honan, Suiyuan, Chahar and Shansi, the province of Suiyuan was most closely connected with the Kuomintang activities, and was the least connected with Japan. It is not yet clear whether or not the abolition of Tangpu is in accordance with instructions from the Central authorities. However, the abolition has been carried out with less disturbance than in Shantung. In addition to the closure of all Kuomintang offices in Suiyuan on Oct. 1, the *Min Kuo Jih Pao* of Suiyuan also stopped publication Oct. 2. All the funds alloted for Party expenses will be used for educational purposes in the province.

SINKIANG AUTHORITIES DENY REPORTS OF SOVIETIZATION OF THE PROVINCE

Chang Yuan-fu, Direcor of the Tientsin Office of the Sinkiang Provincial Government, in an interview on Oct. 5 again denied the reports of the alleged sovietization of Sinkiang province. For religious and racial reasons, he asserted, Communism can never find a foothold in Sinkiang. The population of Sinkiang is composed of many races, most of whom are steadfastly attached to their respective traditional religions.

Continuing, Mr. Chang said that the task of reconstruction is forcing ahead steadily in Sinkiang. Many banks established there. One hundred schools have been newly telegraph offices, schools and co-operative societies have been established, and over 100 public functionaries and school teachers (none of whom believe in communism) will be despatched to Sinkiang shortly from Peiping, Mr. Chang added.

General Sheng Shih-tsai, Defense Commissioner for the Sinkiang Border, has ordered Chang Yuan-fu to proceed to the Capital to submit a personal report on the situation in Sinkiang. After reporting to the Central Authorities at Nanking, Mr. Chang will also go to Szechuan to see General Chiang Kai-shek.

EX-SINKIANG HEAD GIVEN SPECIAL PARDON

In deference to the repeated petitions of various civil and military officials in the border provinces, the National Government has decided to grant a special pardon to General Chin Shu-jen, formerly Chairman of Sinkiang on National Independence Day (October 10). General Chin is serving a sentence of three years and 6 months' imprisonment at the First Prison of the Kiangsu Provincial High Court "for treason against the state by inviting foreign menace to the Republic."

Shanghai Nippo reports that fifty thousand of the remnants of volunteers formerly under the command of Su Pin-wen, Wang Teh-lin and Li Tu, who formerly took refuge in the USSR outer Mongolia, have joined the ranks of the provincial troops in Sinkiang.

That financial assistance be extended to the Chinghai (Kokonor) Provincial Government by the Central Treasury, is enjoined by the National Government in an order to the Executive Yuan. The order points out that due to special circumstances, both financial and economic, the revenue of the Chinghai (Kokonor) Provincial Government accruing from the Farm Tax along is insufficient for its maintenance. Therefore a Business Tax should be enforced in Chinghai on wool and camel furs, so as to increase the provincial income.

TIBETAN TELEGRAPH CODES WORKED OUT

A set of telegraphic codes for translating the Chinese into Tibetan language or vice-versa has been compiled by the Ministry of Communications, in conjunction with the Mongolian and Tibetn Affairs Commission. A test is being made and if the result is satisfactory, the codes will be adopted for the use of the people in the frontier.

MILITARY AND POLITICAL REHABILITATION OF SZECHUAN UNDER WAY

With the Communist influence in Szechuan gradually waning, General Chiang Kai-shek has started to reorganize the provincial army. The 1st step toward this end was taken on Oct. 2 when the General Chiang accepted the resignation of General Liu Hsiang, Chairman of the Szechuan provincial Government, from his concurrent post as commander of the 21st Army, so that General Liu might be able to concentrate his ecorts upon the provincial administration.

Lieut.-General Tang Shih-chun divisional commander under General Liu, was promoted to the post of Commander of the 21st Army to succeed General Liu. Similarly

Lieut.-Generals Pan Wen-hua and Wang Tsan-shu, commanders of the Officers Corps and Second Division respectively, were appointed respectively commanders of the 23rd and 44th Armies.

The number of troops of the 21st Army which now comprises more than 10 Divisions will shortly be considerably reduced to the standard as meeting the regulations of the National Government governing the constitution of government armies.

General Chiang has ordered the establishment of a Provisional Headquarters of the President of the Military Affairs Commission at Chengtu, and placed General Ku Chu-tung, heretofore Director of the Nanchang Pacilcation Headquarters, as its Director.

Partial reorganization of the Szechuan Provincial Government was decided upon at the meeting of the Executive Yuan, Oct. 8, Wang Yu-yung, Commissioner of Civil Affairs of Kiangsi was appointed member of the Szechuan Provincial Government and concurrently Commissioner of Civil Affairs. Kan Chi-yung, the incumbent Commissioner, will retain his post as member of the Provincial Government without portfolio. Yang Chuen-yu, Commissioner of Education, is to erchange post with Li Wei-lun, Special Administrator of the First Area of Szechuan. Lu Tso-fu was appointed Commissioner of Reconstruction to succeed Kuo Chang-ming.

GENERAL CHIANG KAI-SHEK ARRIVES AT SIAN

General Chiang Kai-shek, President of the Military Affairs Commission, arrived at Sian, provincial Capital of Shensi, from Chengtu by airplane Oct. 7. General Chiang the following morning received General Yang Hu-cheng, Pacification Commissioner of Shensi, and Shao Li-tse, Chairman of the Shensi Provincial Government, and inquired at length into the military and political conditions in the province. It is understood that with the Virtual liquidation of the Communists in Szechuan, General Chiang will hereafter devote his more of his time to the direction of the campaign against the remnant Reds in the Northwest provinces.

With a view to completely eradicating the remnant Reds in the Northwestern provinces, General Chiang Kai-shek has decided to establish at Sian a Commander-in-Chief's Headquarters of the Northwestern Bandit-suppression Forces, with himself as concurrently Commander-in-Chief and General Chang Hsueh-liang as concurrently Vice-Commander-in-Chief.

CHANG HSUEH-LIANG CONFERS WITH YEN HSI-SHAN ON RED SITUATION

General Chang Hsueh-liang, newly appointed Vice-Commander-in-Chief of the anti-Communist Headquarters at Sian, arrived at Taiyuan Oct. 7, from Sian to make preparations for the launching of a general offensive against the Reds in northern Shensi adjoining the Shansi provincial border. General Chang conferred with General Yen Hsi-shan, Pacification Commissioner for Shansi, on concerted measures to be effected during the drive. The two leaders were closeted for more than an hour.

According to a telegram from General Chu Shao-liang, Chairman of Kansu, Red captives have confirmed the report that Chu Teh and Mao Tse-tung, notorious Communist leaders, have had considerable personal disagreement, resulting in much dissension among their followers. Chu and his followers have decided to remain in northern Szechuan as long as possible, while Mao, with 3,000 men, has been fleeing eastward to northern Shensi, following the route taken by Hsu Hai-tung in his flight.

A concerted drive has been launched by the Shansi, Shensi, Ninghsia and Suiyuan forces on the Reds under Liu Tzu-tan and Hsu Hai-tung in Northern Shensi. Stiff resistance is being offered by the marauders in the Anting-Paoting sector, Northern Shensi. A large horde of Reds invading the city of Tengshan, in the extreme north of Shensi near the Shensi-Suiyuan border, has been checked by the 86th Division under Major-General Ching Yo-hsiu.

According to *Shanghai Mainichi*, the recent movements of the Communists in the northwestern provinces are as follows:

1) Force under Chu Teh, Mao Tse-tung and Hsu Hsiang-chuien,

The main body of the Communists under Hsu Hsiang-chien, Chu Teh and Mao Tse-tung are in the border areas of Kansu, Chinghai and Szechuan.

The Communists under Chu Teh are in the south-western part of Chinghai, those under Mao Tse-tung are in the vicinity of Minhsien, while those under Hsu Hsiang-chien regard Sunpan as their principal base.

2) The Communists under Hsu Hai-tung have entered the northern part of Shensi, and are attempting to join their comrades under Liu Tse-tan as a whole.

3) The Communists under Liu Tse-tan have suspended their westward advance into Kansu, and part of them have joined the Reds under Hsu Hai-tung, part of them will enter the region of Shansi, while another part will invade the province of Suiyuan.

4) The Reds under Ho Lung and Hsiao Keh are still [illegible]ating their position on the border of Hupeh and Hunan.

KANSU'S REDS REPORTED IN GRAVE PLIGHT

Genertl Chu Shao-liang, Chairman of the Kansu Provincial Government, reports that a small number of Reds have reached Tungwei, 100 miles south-east of Langchow. Several thousand Reds under Mao Tse-tung, equipped with three radio sets, were roaming about at Hataipu, south of Minhsien. A large number of them is being starved to death, while stragglers were ruthlessly killed by their comrades. The Reds who entered Kansu were the remnants of Chu Teh's men. They arrived at Hataipu on September 20, and the following day arrived at Lichwanchin, which lies to the north of Tangchang. Other Reds were fleeing from the southern part of Minhsien in a north-easterly direction toward Wushan (Ningyuan).

Terrible conditions are being experienced by the remnants of the Reds under Mao Tse-tung in Kansu, according to a *Reuter* report. In their retreat they found it almost impossible to obtain provisions and more than 800 of them, who originally numbered several thousands, have perished. Some of them died from cold and sheer hunger, while others committed suicide to escape a lingering death from starvation.

NANKING TURNS DOWN CANTON PROPOSALS TO FIFTH NATIONAL MEET

The Central Executive Committee of the Kuomintang has declined to company with the request of the Southwest Executive Communittee for the insertion in the agenda of the Fifth National Congress of four resolutions demanding a party "purge" and a stronger national policy. The Committee objects that the resolutions were received too late for inclusion in the agenda. The South-west leaders, however, have now telegraphed to Nanking urging that this objection should be waived in view of the present "condition of the country."

Following the abolition of the Kuomintang headquarters in Tientsin, members of the Sin Kuomintang (New Kuomintang) are gaining in strength and extending their anti-Chiang Kai-shek activities, reported *Shanghai Mainichi*. A provincial Headquarters has been organized by the Sin Kuomintang in Hopei as a center from which to launch their activities against Nanking.

Following the arrest of four members of the party, a decision has been made to move the Headquarters of the Sin Kuomintang (New Kuomintang) out of the French Concession in Shanghai to another part of the city. The offices of the secretariat and the Department of Propaganda are now being transferred, while the removal of the office of the Department of Organization has also been completed.

Shanghai Mainichi reports that taking advantage of the present political unrest in the country, General Li Chi-sen, former leader of the Fukien independence Movement, is engagin in political activities in Hongkong . He has sent a representative to North China in order to exchange views over the present situation of the country with Northern leaders.

The policies of the Southwest leaders again find support in the telegrams circulated by the Canton Kuomintang and the Students National Salvation Union. The policies, as expounded in the telegram dated September 9, 1934, call for a definite and constructive policy towards foreign and domestic affairs and severe punishment for the traitors of China.

Ash Heaps of Manchuria—Where Japanese Dump Their Chinese Dope Victims

(From the "Chinese Recorder" for October)

THERE are two ways of showing up the hideousness of the narcotic menace. The most frequently used way is to investigate a situation and then frame in statistics the extent of the traffic and the number of victims and victimizers. In such reports acid words are copiously used to describe the plight of the victims and the heinousness of the traffickers. Such accounts, however, only suggest vaguely the bitterness and gruesomeness of the fate which finally engulfs many victims. This is why statistical studies are often taken more or less for granted. The branching figures overshadow the rottenness at the roots. Another way to unmask the ruthlessness of this traffic is to study a small area and to catch through the camera some of the victims in their last gasping hour. We have secured some such camera-views, taken this year (1935). The photos are indeed, the most gruesome the *Chinese Recorder* has ever published. They reveal only callous inhumanity and discarded human beings. What is said below concerns mainly, though, not exclusively one narcotic dumping place.

Frequent efforts to secure anything like an adequate statement of the drug situation in Manchuria have failed. What we have secured tells a horrible tale. Some time since a resident of Manchuria wrote:—"There has been a startling change for the worse in the social conditions (in Manchuria). Cities and villages alike are open to the distribution of narcotics, which are openly used. In one city there is a public office for receiving opium and in another it is sold openly." More recently another resident of Manchuria wrote:—"One grave social vice has spread in all directions. With or without the connivance of authority, opium, morphia, and heroin are sapping the morals of the people. Steps have been taken, however, by the Government to tackle the drug traffic. Morphia addicts have been rounded up and placed in reformatories. Anti-opium campaigns have been organized. The poppy is not grown as freely as the new regime at first permitted. At the same time opium is on regular sale at licensed stores." Still another resident, noting how open and widespread the traffic is in his own district, made inquiries here and there and came to the conclusion that the same thing is true of all Manchuria. "It is almost incredible," he says, "the number of persons engaged in this business, Koreans more than Japanese, and of course, Chinese as sub-agents more than the others. There is practically no secrecy about the business. Everybody knows about it. In one small town there are thirty drug shops." A recent visitor to Manchuria reports:—"Since Manchukuo State was set up the drug traffic is ever so much worse. For a year or two before then much was being done to cure addicts and to shut up drug shops. Now there are some 550 Japanese and Korean-owned drug shops in Mukden alone." Some time since we heard that some brands of cigarettes were being loaded with drugs so as to entrap th users into the dope habit. These accounts do not agree except on the point that the traffic is widespread, wide open and growing. Obviously an investigation is urgently needed. None such, so far as we know, is contemplated. For all practical purposes dope distribution in Manchuria goes on unchecked.

To know what this means when followed to the outcome of dope dens let us note the tale of an ash heap—a refuse dump—outside the small South Gate of Mukden. The pictures we reproduce show how human beings are dragged out of the dope dens and thrown on the ash heap. The official press of Mukden states that between three and four thousand dead are found on its streets every year. How many of these are dope victims we do not know. The official press does not say. This ash heap indicates that drug victims form a large proportion of these discarded dead. The pictures give the story of how dope victims are dumped on the ash heap. That one city should have such a dumping place for human derelicts is bad enough. But when one recalls that the drug traffic in Manchuria is widespread and open one suspects that other cities share in this ruthless dumping of burned out dope addicts. The spotlight of publicity should be kept on this callous inhumanity until something is done about it. That some individuals will work out the brutality of their nature is, unfortunately, to be expected. That such a situation hereunder to be described goes on openly implies that authorities are at least indifferent to the matter.

An Ash Heap in Mukden Where the Japanese Opium Monopoly in Manchuria Dumps its Victims—See text for description of these gruesome pictures of human degradation and misery. Pictures reprinted from October *Chinese Recorder*.

This ash heap shows that the dope traffic turns every human feeling in the hearts of those engaging therein into ashes. They become, indeed, callous desperadoes of the worst type. Their ferocity is chill and sub-human. Picture (1) shows an addict sunning himself on a street corner in Mukden a few days before death. Near this corner are nearly two hundred firms doing dope business under the protection of extraterritoriality. They barter the doses for almost anything. Victims are urged to come up to their last gasp. When nothing is left except a bit of land the victim barters that away. In that way land comes into the possession of Japanese extraterritorials. When dead, and often when dying, the clothes are stolen from the bodies of the victims.

Picture (2) discloses a lane leading to the ash heap. In the distance is an addict lying between two coolies who have dragged him there, in broad daylight, to die. He died in half an hour. In

picture (3) we see the final end. Dope shopkeepers do not like addicts to die on their premises. Frequently a string is tied around one wrist for the purpose of dragging the victim away to die. One picture (not reproduced) we have seen actually shows such a cord on the wrist.

Picture (4) is a corner of the ash heap near a broken down hut with two dead addicts lying on top of one another. Picture (5) shows an addict who has been dumped at the bottom of the ash heap where foul water oozes out. While the picture was being taken he opened his eyes for the last time. A crowd stood around and watched. No secret here! In picture (6) the same man is seen dead shortly after. Picture (7) gives a corner of the ash heap

Photographic Evidence of the Gruesome Results of Japan's Policy of Propagating the Opium and Narcotics Trade in Manchuria and the Northern Chinese Provinces.

with some discarded matting lying therein. Picture (8) shows that it covered another dead addict. The Buddhist Red Swastika took the body away. Thus does the dope traffic dump its wasted victims. It is almost unbelievable that such brutality should exist. But there it is! The camera has told the truth more realistically than words can do. Of how many other cities of Manchuria could the same tale be told?

These ghastly scenes need no comment. They tell their own tale. Greater human brutality can hardly be imagined. Yet a dope traffic dumping victims on an ash heap is openly going on in Manchuria. Who is to blame? Others than Koreans and Japanese are (perhaps other foreigners) not allowed to trade in narcotics, though, as noted, Chinese serve as their sub-agents. Were they to try it their shops would be closed. There are a million Koreans and half a million Japanese in Manchuria. From their ranks mainly come the dope traders. Roughly the proportion of each race participating varies with their numerical strength. Japanese pawnshops, which are numerous, are often the source from which the drugs are distributed. In connection with such dens come the brutalities noted above. Extraterritoriality protects them. In that connection Japan is culpable. Japanese citizens in Manchuria are permitted to engage in a brutalizing traffic that is not permitted in Japan. "So far as I know," one remarked, "Japanese officials in the employ of the State take no notice of the traffic and Chinese officials, of course, *dare* not!"

Why this ghastly abuse of extraterritoriality? It could be stopped if those who control the extraterritorials would live up to their responsibility. "I was told by a Japanese friend," says a correspondent, "that it is the Japanese Consul's business to control these men (extraterritorial narcotic traffickers)." "A Japanese official to whom I complained," he reports elsewhere, "naively said that the Manchukuo police could not arrest these drug sellers because of extrality." A complaint was made to a Japanese Police Director in the service of Manchukuo and as a result he ordered the arrest of a lot of *Chinese* engaged as "running dogs" for Koreans and Japanese. To the complainant he sent a message saying, "his action was due to the appeal as it was not his business to control the drug traffickers." Such a situation smudges the reputation of any country. We wish Japanese Christians would take the matter up. Some of them in Manchuria have been approached in this connection. Indeed, the whole body of Christians in Manchuria needs to take the matter up vigorously. "Narcotics being so cheap," writes one, "church members are acquring the habit." Why is the law against dope in Japan allowed by Japanese authorities to peter out in Manchuria?

It is not our purpose to assert that the Japanese are greater dope sinners than others. But inasmuch as Japanese extraterritorials carry on this trade—it seems to be practically their monopoly—this is a sin for which Japan must accept the responsibility. How far highly-placed Japanese officials know of or connive at these ash heaps we do not know. They would not have them in Japan. Why permit their citizens to dump dope victims on them in Manchuria? Such practices show the dangerous way in which extraterritoriality plays into the hands of nefarious extraterritorials. The fact applies to other than Japanese nationals, of course. In the case of the Mukden ash heap narcotic profiteers are carrying on the utmost brutality *openly*.

To the rumor that some one wants to debauch the Chinese nation through the dope traffic we have paid little attention. As everywhere else the main motive back of this dumping of dope victims on this ash heap is conscienceless profiteering in human life. "The Japanese sum and substance of it," writes one, "is that the sale of heroin and morphia by Japanese-Koreans and their Chinese subagents is absolutely unlimited in area and quantity and officials of *any kind* don't interfere with it, though they cannot but know of it." That being the state of the dope traffic in Manchuria a process is under way that, if not arrested, will in time certainly debauch almost an entire people. That some in Manchuria see this danger is shown by the remark of a Christian officer in the Manchurian army:—"The whole population is committing suicide through narcotics?" No one may have deliberately planned this but somebody is complacently watching it go on! In common talk among the ordinary people in Mukden one can hear of the increasing difficulty in arranging satisfactory marriages because so many of the men use dope. Such villainy as we have mentioned must not go unchecked.

K. P. Chen Is Elected Chairman of Committee of Bankers Association

K. P. Chen, general manager of the Shanghai Commercial and Savings Bank, was reelected Chairman of the Standing Committee of the Shanghai Bankers Association, for a second term Oct. 1. Eight new members of the Executive Committee were sworn into office, namely, Messrs. Li Ming, general manager of the Chekiang Industrial Bank; Tu Yueh-sheng, president of the Chung Wai Bank; S. M. Chang, manager of the Bank of Communications; Wang Yen-sung, general manager of the Shanghai Silk Industry Commercial Savings Bank; Wu Yun-chai, manager of the Shanghai branch of the Kincheng Banking Corporation; Pan Chiu-fen, Chi Yun-ching, and Chu-ching.

Messrs. K. P. Chen, Pan Chiu-sen, Chen Chu-ching, T. L. Soong, and S. M. Chang were elected members of the Standing Committee of the Executive Committee.

Steps Taken Toward Oil Control in China

It is reported that in accordance with the instructions from General Chiang Kai-shek, the Ministry of Industry has instructed various oil companies in China to send their representatives to Nanking in order to answer questions concerning the administration and the business of the respective companies. This step is being taken in order that the Government might assume control over the oil business of the country. Representatives of several companies have already arrived in Nanking.

How the Japanese Intelligence Service Deadens Chinese Resistance

BY "JAPONICUS"

Japonicus is the pseudonym of a Frenchman, the writer of this article describing the Japanese spy and intelligence service, potent arm of the Japanese military machine in the campaign for the conquest of China. The article appeared originally in "Candide," a Paris weekly magazine, but was translated and reprinted in (September) "Living Age", widely read American magazine.

IN THAT quiet cafe on the Boulevard Saint-Michel where a certain number of distinguished Japanese like to congregate after dining in a neighboring Chinese restaurant, Commander Erokitchigai,—both the title and the name are fictitious,—former officer in the Imperial Navy, recently invited some of his friends to celebrate the great victory of June, 1935, won without bloodshed in northern China. This victory gave Japan the provinces of Hopei and Chahar, which represent an area of some 400,000 square kilometres and over 30 million inhabitants. Chance, the Providence of journalists, guided my steps toward that cafe on the day in question. The host gaily invited me to join the other guests, and thus there were seven pairs of ears opened wide to all the confidences that the reserve officer promised us. He could express himself without restraint, for, though the walls may also have ears, they no not understand Japanese.

Whisky is a requisite at this kind of party—whisky, the only product, the embittered British say, for which the Japanese industrialists have not yet found a substitute. For in Japan they shamelessly fabricate authentic Bordeaux wine and no less authentic, though national, Burgundy wine. They even make champagne. (On the day when the Japanese distill Scotch whisky 'made in Japan' the world will see British commerce come to an end).

II

So the whisky flowed freely, and this is what Commander Erokitchigai said :—

'A toast, gentlemen, in honor of the Japanese Kwantung Army, in honor of its leaders and its Intelligence Service. They have just added 400,000 square kilometres and more than 30 million inhabitants to our colonial empire, which is the youngest and most vigorous of all empires. And they are preparing to extend it over an additional 600,000 kilometres and 50 million Chinese.

'The first part of the Japanese imperial expansion program could not have been better executed. Moreover, the special services of the Kwantung Army studied the plan minutely. The unforeseen was reduced to zero.

'Do you remember the night of September 18, 1931? Lieutenant Kawamoto, accompanied by six men, was making the rounds a few kilometres north of Mukden when he heard a violent explosion. Some one had tried to blow up the railroad track. It was ten o'clock. The Manchurian troops and certain Korean regiments entered into action almost immediately in the entire zone of the South Manchurian Railway from Changchun to Port Arthur—that is to say, over a distance of more than 755 kilometres. Did they go into action even before this blessed explosion? Some claim they did, and their arguments are not altogether baseless. But to maintain the honor of Japan we affirm that the Japanese troops started their offensive drive exactly thirty-two seconds after the explosion, and Manchuria was conquered in seven days, much to the surprise of those naive Chinese, who pretended that we had violated the rights of man, the Kellogg-Briand Pact, the Washington Treaty, and the Covenant of the League of Nations. Face to face with this ridiculous protest against the eternal law of nature that the tiger should devour the inferior animals, we left Geneva and its hypocrisies.

'Let us continue. Since Jehol Province was geographically connected with Manchuria, we could not leave it to the Chinese. During the early months of 1933, therefore, we took a "constitutional" through that picturesque region of Inner Mongolia, and, finding it ready to accept the benefits of Japanese civilization, we immediately decided to include it in our glorious empire. This was a distinct honor that we bestowed upon it. Thus was the Manchukuoan protectorate created.

'Then we had to prepare the second phase of the Japanese expansion program. This preparation was to have taken two long years. It was a question of approaching, always pacifically, the Chinese provinces of Hopei, Shantung, and Shansi as well as the Mongolian provinces of Chahar and Suiyuan. In order to dodge complaints that would be as out of place as they were ineffective and useless and to avoid invocations of the rights of man and of all rights past, present, and future that emasculated countries proclaim in various tones, the Intelligence Service of the Kwantung Army decided to try a new method.

'The Gods smiled upon us, their direct descendants. It was enough for us to be somewhat assured of sympathy in London and Paris. In both those cities we had at our disposal a propaganda service, the richly paid agents of which owed it to themselves to display special zeal. We ordered our London propagandists to persuade the British that they could make a lot of money in Manchuria,—we omitted to say for whom,—and we commanded the Japanese propagandists in Paris to convince the French, those everlasting sentimentalists, that we were the constant victims of the Anglo-Saxons, who harassed us with injustice and deprived us of petroleum. This underground work began last October. Since we did not need to fear the reaction of European public opinion, which was so thoroughly chloroformed, we started the second act, with which you are well acquainted, in June, 1935.

'People constantly speak of the British Intelligence Service and praise it unreservedly. Unquestionably, it has done much toward raising the British Empire to the zenith of its power and its glory, from which we hope some day to make it descend. But it is to the Japanese Intelligence Service, with its energetic chief, Major General Doihara, that our country owes its Manchurian colonial empire. And some day it will have to thank this service for extending the Japanese Empire to the Yellow River, thus almost doubling its territory and quadrupling its population.

'The Kwantung Intelligence Service, which is autonomous, although it often cooperates with the information service of the mother country, includes all China as its field of activity. In Tibet its agents come into contact with the agents of the British Intelligence Service, and in Outer Mongolia they meet with the members of the terrible GPU. It does not behoove me to give you more precise details or to speak about myself. But you must not be surprised if you learn one day that among the Communist bandit chiefs who operate in South China and who are fighting with such energy against General Chiang Kai-shek there are a few of our agents. It is a good game. For Chiang Kai-shek, although apparently pro-Japanese, is really anti-Japanese. But probably nó one will ever know this, for the officers and the civilians who have the supreme honor of serving in this elite corps know how to die in silence.

'At the present time, is there a single region in China that foregoes the privilege of offering its hospitality to one or more Japanese Intelligence Service officers? I do not think so. But, for reasons that you well understand, I prefer to go no further along these lines, although the field is fertile in dramatic incidents and foreseen accidents. I said almost too much when I confessed that the confidence of my chiefs had bestowed upon me the great honor of serving in this marvelous organization.

III

'Gentlemen, let us drink in honor of the noble deeds of the Kwantung Army Intelligence Service. Perhaps it would be wise to end this long discussion by an anecdote, which will have the advantage of recalling an actual fact. In the only vaguely Europeanized hotel of a city in western China, a member of the British Intelligence Service, a Russian spy from the Sovietized territories of Outer Mongolia, and a member of the Japanese Intelligence Service of Hsinking met less than twenty-four months ago. The Japanese was selling aphrodisiacs, the Russian dealt in furs. As for the Englishman, he represented a photographic concern, and, under the pretext of demonstrating the excellence of his camera and his films, he went about taking pictures from morning to night. Though it is difficult for the uninitiated to distinguish a member of the Intelligence Service from an ordinary civilian, the various agents find each other out with more or less facility. They have a flair for one another, so to speak, and they have a family look about them that rarely deceives.

IV

'Very quickly these three traveling salesmen identified each other. They smiled, understood each other, and, being good sports, each one invited the other two to have a drink of whisky. They all hoped to profit by the weakness of their colleagues to appropriate their information and documents. The Englishman said to himself, "Six glasses of whisky, and the Japanese, who can't be used to alcohol, will be dead drunk. As for the Russian, will he hold out until the sixteenth glass, or will I have to stand twenty drinks?" And the Englishman made a grimace, for he well knew that by the time he had had his nineteenth drink his hearing would begin to fail him.

'They sat down to the table and ordered three glasses of Black and White from the Chinese boy. While drinking, they carried on a gracious conversation, like the three worldly gentlemen that they were. One round of drinks followed another, and the Japanese gaily engulfed the sixth drink, much to the Britisher's amazement. The Russian drank whisky like water, and this observation made chills run up and down the European insular's back. But, suddenly, after the twelfth round, the three guests felt overwhelmed by a stupor against which they could not react. They dozed off and finally lapsed into the deepest slumber.

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'When they awoke, some twelve hours later, and returned to their rooms, the Englishman found an envelope containing a respectable number of pounds sterling, corresponding approximately to the value of his photographic works, but the photographs were gone. Always master of himself, he barely muttered a "Damn" and added that he would know better the next time. The Russian lost some pieces of fur with rich linings, which served as pouches to hide precious material collected here and there. The Japanese noted the disappearance of five jars of aphrodisiac powders, among which he had slipped some notes taken during his trip. The Russian and the Japanese received a good indemnity, the first in rubles, and the second in yen. But the Russian couldn't get over his anger, for his life was at stake. The Japanese turned slightly more yellow, and a faint circumstantial smile played about his lips. As for the Chinese boy who had served the whisky with such care, he left the hotel in the morning, for he had received a telegram saying that his father was gravely ill.

'When, two months later, the salesman dealing in aphrodisiacs returned to Hsinking, where all the services of the Kwantung Army were gathered, his chief greeted him with ironic condescension, which made a rather disagreeable impression on him. He wanted to deliver his first report orally, none the less. Then his superior officer opened a closet, took out the five jugs of aphrodisiacs, and handed them to the completely amazed agent, who finally understood. The Chinese boy, who poured the Black and White so delicately and who put a light narcotic in the twelfth glass when the drinkers were no longer able to discern the true taste of whisky, was simply a member of the Hsinking household. And so, my friends, do you not think that our Intelligence Service is as good as the British?

V

When M. Pierre Lyautey was received by General Koiso, the latter was chief of the General Staff of the Kwantung Army. In fact, he was its brains and brawn. General Koiso said to his French guest, 'Never did a regiment start out on the road unless it was preceded or accompanied by Intelligence Officers.' This sentence tells the whole story of Japanese policies in China. The Japanese Manchurian army is held in reserve and is used only in emergency, for its presence is sufficient. For the passive conquest of China—it is now a question of North China—the Intelligence Service, directed by Major General Doihara, is the chosen weapon.

The Intelligence Service of the Kwangtung Army plays an especially important role. It prepares the conquest of China methodically and minutely, for it would like to transform the country into a vast Manchukuo. Its agents are innumerable and may be found everywhere, not only in China but in all Asiatic countries where Chinese communities are important and powerful. Thus, the British colony of Hong Kong, the most advanced bastion of Europe in the China seas, is the object of particular solitcitude. And the Japanese Intelligence Service has not neglected to investigate the Philippine Islands. In the Dutch East Indies as well as in British India, the curiousity of the Kwantung Intelligence Service is not hypothetical; it is there to be felt and seen. The Malacca Peninsula and Singapore are carefully watched every moment. In Asia, the British Intelligence Service is strongly handicapped by its Japanese competitor.

In the first place, there is the racial question. No matter how well disguised an Englishman may be, it is difficult for him to look exactly like a Chinese, whereas a great many Japanese look exactly like their Chinese brothers, though a certain number, of course, are quite differrent. The Chinese and Japanese belong to the same race: that's a strong advantage.

There is also the question of language. And, though this problem constitutes a serious obstacle for the Japanese themselves, it raises an impassable barrier before the British. The recruiting of Hsinking Intelligence Service agents is complicated because so few Japanese living in Japan know how to write the Chinese language even when they use Chinese characters. For Chinese syntax is the exact opposite of the Japanese. Really educted Japanese know how to read Chinese but writing it is another matter. With regard to speech, the difficulty is even greater. The Chinese language is monosyllabic, the Japanese is not. Furthermore, the northern Chinese do not understand the southern or even the western Chinese, so that the Intelligence Service agents, especially those occupying subordinate positions, are recruited among the Japanese born in China of parents who have lived there for one generation. These young men have attended Japanese schools, in which the study of Chinese is required.

VI

Professional officers, however, constitute the cadres of this special organization. But—and this point should be stressed—a certain number of Buddhist priests have been gladly admitted. Buddhist priests in Japan are required to know Chinese, at least the written language, and, generally speaking, they are well versed in Chinese culture. Their knowledge of Buddhist doctrine, moreover, has its use, for in many sections of China the Buddhist priests still exercise a powerful influence, from which their Japanese colleagues may draw benefit.

The superior agents of this service do more than go on study, information, and spying missions. The task of informing is often reserved for novices or subordinate agents. There are greater things to do in China. For instance, there are consciences to buy, which is a more delicate task, and sometimes—last February, for instance—Major General Doihara himself travels for this type of operation.

There are also incidents to create, which is less simple than one may believe, for one must take into account the natural suspicion of the Chinese. We have heard it said that it was sometimes necessary to organize bandit raids in order to provoke a Japanese intervention that was prepared in advance. And who will ever be able to explain certain incursions of Communist bandits without taking Japanese interests into account? Finally, there are cases when the supreme chief of the Intelligence Service deliberately, but with what pangs, sends one of his officers to his death. The latter knows the fate that awaits him. He accepts it with joy, with joy equal to his chief's regret.

Read the following lines, for they tell a long story. They are taken from the famous Lytton report, the most remarkable recent work on the Far East:—

'Captain Shintaro Nakamura was a Japanese officer in active service, and, as the Japanese Government has since admitted, he was entrusted with a mission by the Japanese army. When he stopped at Harbin, where the Chinese authorities examined his passport, he declared he was an agricultural expert. He was then told that the region in which he planned to travel was infested with bandits, and a note to that effect was inscribed on his passport.' (Report of the Study Commission, page 69).

On June 9 Captain Nakamura left the railroad station; he was assassinated about June 27. The army that had sent Captain Nakamura to his death made several declarations through the Japanese press, saying that the Nakamura affair would have to be settled by force since there was no other alternative. That was the conquest of Manchuria.

VII

The speech that Vice Admiral Imamura made on May 21,1932, in a secret gathering of Japanese residents in Sydney throws a clear light on the goal of the Japanese Intelligence Service in China. The speech was carefully prepared. When the author delivered it, he remarked that the text was strictly confidential:—

'We have decided to launch a political campaign that will prevent the Chinese from acquiring sufficient knowledge to enable them to develop their national industries and that will, at the same time, gradually transform Japanese industry on the basis of the latest technical and scientific discoveries. In achieving this goal, we may call upon British experts, who will help us in this task of reconstructing Japanese national industries. Consequently, we ask you, our compatriots, to devote all your energy to your country's profit and to remain in close contact with your consul, who will always be very grateful to you for any information that you may be able to give him.'

Thus Japan aims to enslave China commercially by standing in the way of its industrialization. But, in order to impose its will and maintain it, Japan has to get a firm hold on China and forbid it to use those prerogatives that any independent state may justly invoke. But let no such small thing stand in the way! Chinese independence has little weight.

In order to reduce China to the desired status, Japan has at its disposal the method used by the Intelligenec Service of the Kwantung Army, which consists in gnawing away China, province by province. This method brings considerable profit. Japanese goods, in so far as Hopei is concerned, penetrate through the north without paying import duties and thus compete disloyally with European and American products, also cutting considerably the revenue from seaport duties, which are used to pay off foreign loans.

There is also the Saito method, which that astonishing Ambassador explained in the *Philadelphia Evening Bulletin* on December 11,1934: 'If we think that it is necessary for Far Eastern peace, we will swallow North China, no matter what attitude the other Powers may assume. Moreover, Japan will pursue the policy that it believes necessary for the organization of the Far East according to the Japanese plan, even if it means war with Great Britain and the United States, without taking into account the whims of these two nations.'

That, we should say, is abundantly clear.

Scottish Mission School at Kirin Is Persecuted by Manchukuo Authorities

The Kirin provincial government has decided to take "drastic action" against the Scottish Mission School in the capital city of said province owing to the refusal of the headmaster, Mr. MacWhite, to allow the Chinese pupils to worship Confucian idols at the temple, despite the request of the local authorities that they should be permitted to do so. Maintaining that Christians do not worship idols, Mr. MacWhite says that Christianity was introduced in Kirin many decades ago and that he cannot condescend to conform in the present instance with the policy of Manchukuo, "which is not recognized by Great Britain." "Final action" against the school now only awaits instructions from the Department of Education at Changchun, a recent *Reuter* message stated.

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"Manchoukuo" vs. "Manchukuo"

BY JOHN FAIRNSWORTH

I NOTICE that there exists a wide disagreement over the English spelling of the new name given to "liberated" Manchuria. Some are for "Manchoukuo"; others use "Manchukuo." Chief authority for the former spelling is that it is the official usage preferred by the Japanese themselves. But it has not been universally accepted and in fact "Manchukuo" is probably used by the majority of English writers. Especially in English-language publications in China the latter orthography is standard, while in Japan the spelling "Manchoukuo" is just as religiously observed. The contradiction seems to be felt mostly in America and Europe, where the two are used interchangeably. *Pacific Affairs*, for example, always uses "Manchoukuo", as does its editor, Owen Lattimore, in his books on Manchuria. *Asia*, however, lately seems to have adopted "Manchukuo." Which is correct?

To begin with, as is well known, the word "Manchu", as employed in describing the descendants of Neurhachi, is an Anglican invention somewhat like "mandarin" and such. The Chinese always called the Manchus merely *ch'i-jen*, or "flag men." However, an official name early given to the Manchu country, before the conquest of China, was *Man-chou* (滿洲), or, literally, "Full Island", a term which had no significance in Chinese. It was simply a Chinese phonetic transliteration of the posthumous title given to Neurhachi in the Manchu language. While the Chinese, therefore, never coined anything so absurd as *Man-chou* for the name of Manchuria's inhabitants—"full island," it must be admitted, would have been a pretty red herring to drag in front of a well-meaning bannerman—apparently they did sometimes refer to their conquerors as *Man-chou-jen*, or the "Full Island Men"—*i.e.*, descendant of Neurhachi. But the term never came into general use, and (except when more colorful names such as "badger's son", "dog," "barbarian" or "turtle egg" were utilized) the Manchus were known to most Chinese simply as *ch'i-jen*.

I cannot find any precise statement of origin for the English term "Manchu." But obviously it must have been formed by dropping the *jen* from *Man-chou-jen* and incorrectly romanizing the *chou*. At any rate with its general adoption it became a purely English word, just as "Chinese" or "Mongol," etc., and any development of it ought to be based on this stem.

When the Japanese decided to name their new colony by adding a *kuo* or "country" to this purely Anglican term, therefore, it seems clear that they should have spelled it "Manchukuo." There would then at least be some correctness in English terminology, which the name utterly lacks in Chinese. And, incidentally, you can hardly imagine in Chinese more corrupt compositions than *Man-chou-kuo*, the "Country of the Full (or *Man*) Island", or *Ta Man-chou-ti-kuo*, the "Great Empire of the Full (or *Man*) Island." The only way the Chinese can explain the mess is that it is a transliteration of some foreign term!

Japanese seem to appreciate this anomaly, for while they officially refer to the country as "Manchoukuo" or "Manchoutikuo", the inhabitants (who of course call themselves *Chung-kuo-jen* or *Min-kuo-jen*) are officially known as "Manchus." There, I confess, they have me. This contradiction is ridiculous, since plainly there can be but one word—either "Manchu" or "Manchou."

The case for "Manchoukuo" would seem to be that, somewhat belatedly, the Japanese discovered that "Manchu" is an incorrect romanization, and decided to spell it properly in the appellation of the new state. However, about the time that this happened it evidently occurred to one of the Chinese-speaking Japanese generals that "Manchou" did not exist as a Chinese name for the former rulers of China, but only for their particular region in Manchuria. Therefore its only validity was in English. Hence they chose to compromise by using the proper English spelling in designating their new subjects as "Manchus"—but nevertheless retained the "o" in "Manchoukuo." Comparable absurdity would result from the movement (which now happily seems to have died out) to make the English-speaking world use Japan's own term, *Nippon*, for that country, while permitting its rising sons to continue to be known as "Japanese."

In view of this comical series of contradictions, the writer is inclined to accept "Manchukuo" as the correct English version of the monstrosity which apparently non-Chinese-speaking Japanese have now inflicted on Manchuria. And by the way, if you think otherwise, you had better begin writing "Manchouria" instead of "Manchuria."

This extensive discourse may seem to be more than the controversy merits. Some people doubtless will feel that since Japan is deciding everything else in the northern paradise we may as well let her decide how she wants it spelled and to hell with it. But I submit that it appears to me important not on the basis of China's sovereignty of nomenclature, but as a vulgarization creeping into the sacred precincts of the English language—and hence a matter for international concern. And I for one refuse to yield, though in the end the Japanese will no doubt have their way about it by calling in Hirohito Tenno as philological authority. Until then, however, I am willing to stand on past usage and go right on ignorantly writing "Manchukuo."

Peiping, Sept. 26, 1935.

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Japan's Manchurian Army Cost More Than One Thousand Million Yen in Four Years

IT IS expected, an item in the Oct. 29 *Japan Chronicle* stated, that the Manchurian affair expenditure for the next fiscal year will exceed Yen 200,000,000. The sum claimed by the War Office alone amounts to Yen 180,000,000, and estimates bearing on this expenditure within the jurisdiction of the Navy Department, the Foreign Office and the Kwantung Bureau will exceed Yen 20,000,000.

The expenses defrayed since the Manchurian affair in 1931 show the following :—

Fiscal years	In Yen 1,000
1931-1932	88,961,000
1932-1933	293,263,000
1933-1934	191,479,000
1934-1935	163,705,000
1935-1936	184,372,000

The aggregate now exceeds Yen 1,100,000,000.

The results of the personal inspection of conditions in Manchukuo by Mr. Kaya, Director of the Accountants' Bureau, the other day, reinforced by information received from all quarters, have led the Finance Department authorities to the conclusion that, in view of the existing international situation, the replenishment of armaments on the Manchukuo border means the security of Japan's national defence. From this point of view, they are ready to deal generously with the Manchurian affair expenditure for the next fiscal year, despite the financial straits of the country.

In the Budget for the current fiscal year, the sum of Yen 5,000,000 is appropriated as the first reserve fund for the Manchurian affair expenditure. This particular reserve fund will be abolished in the new Budget partly because peace and order has been restored markedly in Manchukuo and little call has been made on this fund during the past year.

Gold Production in Manchukuo Increases

A ten-year plan looking forward to an annual gold output of $100,000,000 in Manchukuo was announced Oct. 7 by the Manchuria Gold Mining Company, a joint Manchukuo-Japan concern. The company expects to produce between $2,300,000 and $2,400,000 worth of gold during this year and $5,000,000 next year, according to the plan. The concern was organized in May last year with a capital of $12,000,000.

Hsinking Officials Discuss Relinquishment of Extrality with Tokyo Authorities

Bearing with them proposals linked with the projected abolition of extraterritoriality in Manchukuo, a group of Manchukuo and Japanese officials arrived in Tokyo this week from Hsinking for a series of conferences with the central authorities. The group included Lieut.-Col. Kiyonobu Shiozawa, Kwantung Army; Rokuzo Takebe, Director of the Administrative Section of the Kwantung Bureau; Naoki Hoshino, Director of the Exchequer's General Affairs Board; Kumaichi Yamamoto, first secretary of the Japanese Embassy in Hsinking; and Toshio Tamura, section chief of the Finance Ministry's Taxation Bureau.

Japan Munitions Firm Gets Manchukuo Pulp Monopoly

Japan's leading munitions concern, the Yen 75,000,000 Nippon Industry Company, Oct. 3, branched out into new lines of endeavor as it was granted by the Manchukuo Government a monopolistic right to develop the pulp production in the new State. Four concerns: the East Manchuria Rayon Pulp Company; the Manchuria Pulp Company; the Manchuria Pulp Industry Company and the Daido Industry Company, applied for a franchise to engage in pulp production last month. The four firms had an agreement dividing Manchuria into four sectors, with each of them having exclusive production rights in its area. The Hsinking Government, according to reports received here, however, decided to merge the four into one or two firms controlled by the Nippon Industry Company. The latter is the leading chemical and munitions concern in Japan, and is headed by Gisuke Ayukawa. It is dominated by Fusanosuke Kuhara, a Seiyukai leader.

Is Manchuria Obtaining Its Crude Oil from Small Companies on Canadian Border?

The *Tokyo Yomiuri* Sept. 28 said that despite the fact that the Asiatic Petroleum Company, Standard-Socony-Vacuum Company, and Texas Oil Company have severed their relations with Manchuria following Manchukuo's oil monopoly, the Manchukuo Oil Company, which was established on the basis of the oil law, has so far imported some 60,000 tons of crude oil and is now engaged in active distribution. The question is naturally raised as to where the company gets the crude oil. The Manchukuo concern maintains silence regarding the source of the crude oil, but it appears most likely that the oil comes from a series of small oil firms operating on the Canada-North American border, some of them in Northern Montana. According to reports from that region, the small oil companies there, which had suffered from pressure at the hands of the larger companies, have become quite active in their business.

Telegrams in Japanese Language With Manchuria to Be Resumed Nov. 1

As a result of repeated negotiations between Chinese and Japanese authorities, the transmission of telegrams in the Japanese language between China proper and Manchuria will be resumed from Nov. 1 next, it was reported in Tientsin, Oct. 8.

According to the arrangements made, Japanese telegrams in plain code sent to Manchuria will be charged at 12 cents per word and those in secret code will be charged at 24 cents per word. The Hui Tung Transportation Bureau, which transmits and forwards letters and parcels between places outside and inside the Great Wall, will be entrusted with the task of checking up the accounts of such telegrams.

A spokesman in Tientsin interviewed by press representatives regarding the resumption of telegrams in Japanese with Manchuria explained that prior to the Mukden incident, the transmission of Japanese telegrams was made at Shanghai, Chefoo and Tsingtao. These facilities were later suspended with the Japanese occupation of the Three Eastern Provinces.

In spite of the resumption of telegraphic communications between Manchuria and Tientsin recently, Japanese telegrams were still debarred by the Tientsin Telegraph Office. This made it necessary for Japanese residents to send their telegrams to Shanhaikwan first, to be relayed to Manchuria by the Japanese Telegraph Office there. The *Central News* explained that besides causing much inconvenience to the senders, this adversely affected the revenue of the Tientsin Telegraph Office, and as a remedial measure the resumption of transmission of Japanese telegrams has now been decided upon following repeated negotiations between the Chinese and Japanese concerned.

Two Temple Ceremonies at Canton---One by the Civil Officials, the Other by the Military

At 5 a.m. on the Sept. 24 the high officials, military officials excepted, of the Provincial Government and its organs gathsrsed at the principal Confucius Temple at Canton to solemnly present the Autumn Sacrifice to the ancient sage. His Excellency Lin Yuen Kai, the governor, was the master of ceremonies. Other officials took their positions according to rank and did homage.

At the same hour on the following morning all military officials, above the rank of major, gathered at the Kwan-Yuet Temple at the foot of the Yuet Shau Hill and did homage to the two ancient national heroes—Kwan Ti and Yuet Fei in Canton. Marshal Chen Chi-tang was master of ceremonies and the band of the First Group Army struck while the rites of the Autumnal Sacrifice were performed. The announced aim of the worship was to infuse a spirit of loyalty and of patriotism in the hearts of the officers.

Julius Kleffel Severs Connection With A. O. Bank Liquidation

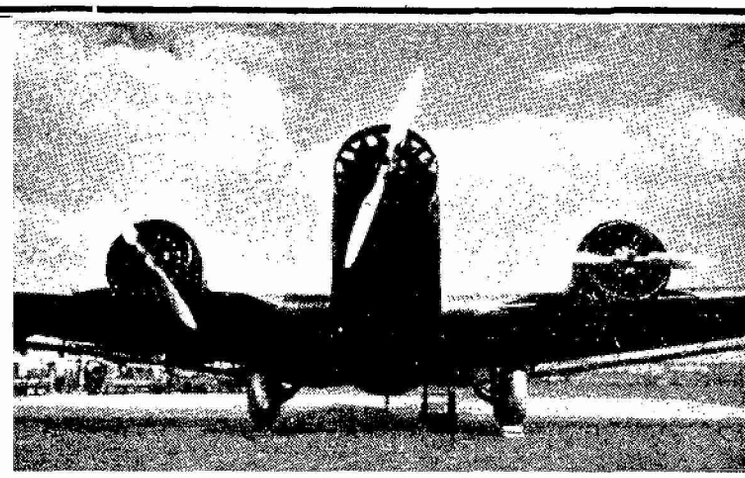
It was announced during the week that Julius Kleffel, former vice-president and manager of the defunct American-Oriental Banking Corporation, who was carried on the staff of the liquidator after the bank closed its doors last May, is no longer connected with the work of the liquidation. Mr. Kleffel, it is stated, severed his connections with Frank L. Hough, the liquidator, effective on Oct. 1, and it is reported that he plans to take a long rest.

Drug Traffickers Sentenced to Prison Term in Tientsin

On the charges of trafficking in narcotic drugs, Ho Hui-yuan and his wife, natives of Liaoning province, who were recently arrested in Tientsin were sentenced to six years imprisonment each Oct 7. The prison term instead of death penalty was passed upon the Ho couple, it was explained, on the basis of their plea that they had been out of employment, and under such circumstances anything that could bring them food was welcome.

Another Drug Dealer Executed

Another drug trafficker, named Chang Chao-hsun, was executed at Hsuchow Oct. 6 by local pacification authorities.



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Thriftcor Bank Closes Doors—Chinese Liquidator Appointed

The Thriftcor Bank, organized in 1927, under the laws of the state of Nevada, but in which there was no substantial American interest and was not registered at the American Consulate either here or in Harbin, where it maintained a branch, closed its doors on the morning of Oct. 5. The bank maintained two offices in Shanghai, one at 149 Szechuen road and another at 774 Avenue Joffre. It was announced that the closing was made necessary through the huge withdrawals recently made by Russians who had lost their employment in the Chinese Eastern Railway, owing to the sale to the Japanese-Manchukuo Governments.

The Thriftcor Bank was first established at Harbin in 1927 by former employees of the Russo-Asiatic Bank. The head office was removed from Harbin to Shanghai in 1933 when it was removed to Shanghai.

No application for the appointment of a liquidator was made to the United States Court for China, and, owing to the fact that the financial interest in the bank was almost entirely concentrated in Russian hands, it is probable that such an application would have been refused. The Chinese authorities took jurisdiction immediately and on the day following the closing of the bank it was announced that P. W. W. Wong, Chinese chartered accountant, had been named liquidator. The decision to have Mr. Wong act as liquidator was made at a meeting of the bank's board of directors held during the night of Oct. 5, at which S. Kriger, president and general manager presided. Registration of those who had claims against the bank was started immediately.

It was disclosed that in addition to the withdrawals at Harbin there had recently also been heavy withdrawals by depositors in Shanghai. Myron Wiener, the bank's attorney, stated that the bank had accomplished the unusual feat of paying out 70 percent of its deposits in four months. Assurance was given by the bank's officials that the assets in Shanghai are more than sufficient to pay the depositors.

The *Shanghai Evening Post* in a long editorial Oct. 8 urged that the American Consular authorities should make a point of publishing the list of American-incorporated companies which are registered at the Consulate. Mention was made in the editorial that the Chinese name of the bank translated: "American Confidence and Assistance Bank." This point of view evoked the following comment from other quarters: "Depositors in banks which close their doors will care little as to whether they were mulcted either by American or non-American controlled institutions; the fact that the Raven institutions were absolutely American-controlled has not helped the depositors to any great extent and there is no indication so far that the Thriftcor depositors will receive any less proportion of their deposits than the clients of the Raven institutions will."

Chinese Republic Celebrates Its Independence Day

The Double-Ten Festival, (so-called becaused the Revolution of 1911 broke out on the tenth day of the tenth month, that is Oct. 10) the anniversary of the foundation of the Chinese Republic, was celebrated Oct. 10 throughout the country. The Shanghai District Kuomintang issued a notice convening a meeting in celebration of the anniversary, held in the People's Education Bureau, to the south of West Gate, Shanghai.

A general holiday was observed by all government offices, including the Maritime Customs, the Post Office, the District Courts, etc., while national flags were generally on display everywhere.

A particular feature of the anniversary was the Sixth National Athletic meeting, the first meeting of which was declared open at the newly-completed Stadium in the Kiangwan Civic Centre on that date. Lin Sen, chairman of the Central Government, arrived here from Nanking for the purpose of attending the meeting. A number of other Nanking high officials also attended the opening meeting.

Nanking Makes Official Protests Against Japanese Disarming Customs Cruisers

The Nanking Government Oct. 8 officially protested against the disarming of two customs cruisers in Chinwangtao by Japanese gendarmes on Sept. 17. The representation was made by Tang Yu-jen, Vice-Minister for Foreign Affairs, to Yakichiro Suma, Japanese Consul-General in Nanking. Mr. Tang pointed out that smuggling was rampant in the area, making the presence of customs cruisers necessary, and requested that the objectionable action be not repeated. Mr. Tang rejected the protest on the ground that Chinwangtao was in the demilitarized zone and no Chinese armed ships were allowed in it. The Japanese action, he reportedly said, was legal and left no ground for any Chinese representations. Mr. Suma concluded by asking Mr. Tang to see that the Chinese customs cruisers do not enter the area in a larger number than is agreed between the Chinese and Japanese authorities.

Japanese Charge Hankow Soldiers Used Rising Sun Flag Design as Target

BY THE REVIEW'S HANKOW CORRESPONDENT

According to a "Rengo" message from Hankow on Wednesday evening, Oct. 9, the Chinese authorities agreed to the Japanese demands, which included dismissal of Gen. Yeh Peng, Garrison Commander and an official apology by Gen. Chang Chun, Chairman of the Hupeh provincial government.

THE Japanese authorities in Hankow claim to have found offensive anti-Japanese posters in the garrison quarters of General Yeh Peng. One version is to the effect that Gen. Yeh, garrison commander of the Wuhan cities, had on one occasion urged his men to take good aim at the bull's eye while out on rifle practice. Somehow the Japanese got wind of this and discovered to their horror that the center, the bull's eye, was painted red with white background, and therefore bearing close resemblance to their national flag. At once the cry went up, "Remove the sacriligeous Yeh Peng!"

Soon letters of protest were presented to the Hupeh Chairman, Gen. Chang Chun, demanding the dismissal of the garrison commander forthwith. When nothing seemed to transpire anther letter was delivered to the authorities at Wuchang.

According to latest information, Yoshiaki Miura, the Consul General at Hankow, has sent in a third protest to Gen. Chang Chun. While it is not known just what action the provincial government will take in this matter, it is believed in well-informed circles that the opinion of Nanking is being ascertained first.

Rumor Predicts the Removal of Gen. Yeh Peng

Although the citizens of this area have been well pleased with the firmness with which General Yeh Peng has maintained law and order and his active cooperation with others to prevent flood conditions from returning, yet it is all but certain that he will be removed from office. The Japanese have been insistent and will brook no delay, not to speak of refusal to acquiesce. Seven Japanese gunboats are riding at anchor at Hankow ready to bark should the plan envisaged happen to fail.

Gen. Yeh Peng is a colleague of the former chairman of Hupeh provincial government, Gen. Hsia Tou-yin. His successor may be Gen. Ho Chu-kuo, the man who defended Shanhaikwan, north of Tientsin, who is a Chang Hsueh-liang man.

While in office Gen. Yeh has won the respect of the Chinese and foreign communities. He has been much concerned with the health and physical development of the troops under him. Last year and this he has organized "Cross Yangtze Swimming Contests", and with admirable success. He has been the honorary chairman of the Hankow Y.M.C.A.

Anti-Japanese Poster Incident at Hankow—Negotiations Deadlocked

Negotiations undertaken by Yoshiaki Miura, Japanese Consul-General at Hankow with Gen. Chang Chun, chairman of the Hupeh Provincial Government, for the settlement of the so-called "anti-Japanese poster" incident are stated by *Rengo* to be deadlocked. The impasse was created when the Chinese officials refused to comply apparently with the Japanese demand that they dismiss Major-Gen. Yang Feng, garrison commander.

The incident arose when posters of an anti-Japanese and anti-foreign character, some of them dating back to the Boxer days, were prominently displayed in a room in the barracks of the Wuhan garrison, when the soldiers' quarters were thrown open for public inspection on Sept. 15. The event was designed to promote closer relations between the populace and the army. Bullet-ridden dummies, dressed as Japanese soldiers, one with the inscription "Japanese Soldier," and the other with the label "Revenge," were also found on the rifle range.

Marshal Chang Organizes Northwestern Anti-Bandit Forces at Sian

MARSHAL Chang Hsueh-liang has been conferring with Generalissimo Chiang Kai-shek at Chengtu relative to a definite anti-red policy.

On the 2nd of October Nanking appointed the Generalissimo' Commander-in-Chief of the Northwestern Anti-Bandit Forces, with the Young Marshal as Deputy Commander. The area designated by the term "Northwestern" includes Shensi, Suiyuan, Shansi, Kansu, Ninghsia, Chinghai, and Hopei. As General Chiang Kai-shek has established his headquarters at Chengtu, capital of Szechwan province, he will not be able to personally supervise the newly organized Headquarters at Sian, leaving the active directing of this new project to Marshal Chang Hsueh-liang.

Wuchang Headquarters Removed to Chengtu and Sian

Part of the staff of the temporary headquatrers of the Generalissimo at Wuchang has removed to Chengtu, the director of the new staff being General Ku Tso-tung, former Pacification Commissioner of Kiangsi province. Although there will remain a remnant in Wuchang another group of the former staff of the Generalissimo's has left Wuchang for Sian, Shensi. The remnant is to take charge of the rehabilitation of the areas devastated by the bandits and Reds in Anhui, Hupeh, and Honan. The government feels that the campaign against the Reds in this area has been brought to a successful close.

The Young Marshal Confers with Marshal Yen at Taiyuan

Important conferences have been held with Marshal Yen Hsi-san, the veteran political and military leader of Shansi province, at Taiyuan, the capital. The use of his Boeing airplane makes it possible for Marshal Chang to cover much territory in the short space of a week.

Why Did The Headquarters Go West?

Many are speculating as to the underlying motive back of the action of Nanking in removing the Military Headquarters from Wuchang to Chengtu and Sian, respectively. Of course the obvious reason is the necessity of the Generalissimo and Marshal Chang being close to the theater of war, where they can personally direct the attack on the enemy.

However, it does fit into the scheme of things as desired by the Japanese authorities in this center. More and more the Japs are out to tell the Chinese where to jump off at. It is quite conceivable that there is freer air and more arm and leg room in the vast northwestern marches, and many pitfalls can be avoided if one moves out of the way. Instead of remaining in Wuchang with a stiff upper lip, the Young Marshal has chosen a new task and is following the new project with avidity. The Japanese are very touchy here and after the demand for the removal of Gen. Yeh Peng, Wuhan Garrison Commander, by them after the finding of anti-Japanese postrers in the garrison quarters, it might not be such a long step to finding an excuse for asking the removal of Marshal Chang. But in this case he moved first, thus obviating much trouble.

Know Your Enemy, Hankow Editor Advises Chinese

Commending the Japanese for their superior knowledge of conditions in China, the Chinese editor of the Chinese-owned *Hankow Herald*, urged his fellow-country-men to study Japan and all her works and ways. His editorial for Oct. 1, 1935 concluded with these words: "Whether we like it or not, Japan is bound to exert more and more influence in shaping the destiny of this country. China has indeed good cause to harbor resentment against the Japanese government policies towards this country and it is impossible for Chinese to forget the lessons taught them by events of the past years. But these feelings should not take the shape of blissful ignorance of realities. The present state of affairs can not be improved, but would be further aggravated by further ignorance. We must face the situation as it exists instead of burying our heads in the sands of ignorance."

5,000 Reds Reach Tungwei and Chiningchow Districts

Latest advices by letter from Kansu indicate that on Sept. 30, 5,000 Red troops made their way to Tungwei and Chiningchow districts. After the Minchow battle the Reds apparently divided into two bands. One of these went in a southeasterly direction via Hsi Ho and Li Hsien, doubling back towards Tienshui and Kanku to Tungwei.

The second band made for Changhsien and then marched northward to within 10 li of Kungchang, joining the others at Tungwei. Chining City is reported to have fallen into the hands of the Reds.

Sian-Lanchow Motor Road Rendered Unsafe by Red Threat

Due to the sudden northward thrust on the part of the desperate, half-famished bands of Reds operating in Kansu, the bus line between Sian and Lanchow has been interrupted. The missionaries, who last week were definitely planning on evacuating Lanchow by motor-bus to Sian, have changed their minds. Instead of running any chances with the Reds they prefer to float down the Yellow river on inflated skin-rafts, to Paotou via Ninghsia. The women and children will all risk attacks by Mongolian roving bandits, but the men felt this route to be the safer of the two. From Paotou the party will proceed to Peiping. The intended evacuation will start on Oct. 9, unless unforeseen circumstances prevent.

Hankow, Oct. 7, 1935.

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Further Declaration on "National Polity" Is Predicted

ALMOST daily telegrams from Japan indicate that the "national polity" question continues to protrude itself into view constantly.

Premier Keisuke Okada Oct. 8 once again submitted to the demands of the War and Navy Offices and promised to take further steps to clarify the Government's stand on the controversy regarding the interpretation of "national polity." In a conference with Gen. Kawashima, War Minister, and Admiral Mineo Osumi, Navy Minister, prior to the meeting of the Cabinet that morning Admiral Okada promised to take "appropriate steps." Political observers in Tokyo indicated that these steps would take the form of a third governmental declaration on the controversial issue, and also the dismissal of Baron Kitokuro Ikki, President of the Privy Council, and Tokujiro Kanamori, Director of the Legislative Bureau of the Cabinet.

Both of these officials are *personae non gratae* with the defense departments, because of their alleged association with the doctrines taught by Dr. Minobe, whose books were banned by the Home Office for asserting that the Emperor is not the State itself but merely one of its organs.

In urging the Premier to take appropriate steps, Gen. Kawashima has reportedly informed the former of the views of reservists' associations and of Gen. Soroku Suzuki, member of the Privy Council and president of the National Ex-servicemen's Association.

Gen. Kawashima's call on the Premier was reportedly prompted by the avalanche of various veterans' and patriotic organizations' declarations reaching the War Office, and demanding action on the "polity question".

The War Minister spent the whole of the previous day conferring on the issue with high officials of his department. The first of officials invited by Gen. Kawashima was Gen. Watanabe, Director-General of Military Education. He was followed by Lieut.-Gen. Motowo Furusho, Vice-Minister of War, and Lieut.-Gen. Kiyoshi Imai, Director of the Military Affairs Bureau of the War Office.

Premier Okada Will Protect President of Privy Council

The *Yomiuri Shimbun*, Sept. 30, stated that Premier Okada's policy of offering protection to Dr. Kitokuro Ikki, President of the Privy Council, and Dr. Tokujiro Kanamori, chief of the Board of Legislation of the Cabinet, in the face of attack by the Army and Navy remains unaltered. Considerable trouble is therefore expected to arise between the Government and the Army and Navy. Premier Okada has the conviction that Dr. Ikki held the alleged theory 40 years ago but no longer does and his spirit of loyalty to the State is unquestioned and that the theory of Mr. Kanamori is not the Emperor-organ theory.

***

Japanese Colonel Commits Hara-kiri

The controversy over the Minobe thesis is closely bound up with the tension that exists in Japanese military circles, as was explained in editorials in past issues of *The Review*, notably one in the issue of Aug. 31, entitled "The Japanese Army and World Public Opinion," and another in the issue of Sept. 14, entitled "Hayashi's Resignation and 'Present Difficult Situation' in Japan." This tension, it will be remembered, resulted in Lieut.-Col. Saburo Aizura walking into the office of Lieut.-General Nagata, Director of the Military Affairs Bureau of the Tokyo War Office, on Aug. 12, and slashing General Nagata to death.

Another tragic incident which reflects the tension in Japanese military circles occurred in Tokyo Oct. 5, when Colonel Chosaburo Yamada, 49 years of age, committed hara-kiri (abdomen-slashing) to clear his name of an assumed stigma of cowardice. The officer's suicide, in the words of *Rengo*, was "in keeping with the strict precepts of Bushido, the ancient Japanese warrior's code."

The deceased officer, who witnessed the slaying of Lieut.-Gen. Testsuzan Nagata, former director of the Military Affairs Bureau of the War Office, by Lieut.-Col. Saburo Aizawa on Aug. 12, was said to have been despondent over his transfer from chief of the military affairs section of the Bureau to the Central Ordnance Depot as a sequel to the assassination. Clad in ceremonial kimono, the officer was found dead by his wife at about 10.10 o'clock in the morning. He had disembowelled himself with his service sword and later given his own *coup de grace* by stabbing his throat.

According to statements made to gendarmerie by Mrs. Yamada, her late husband sent her out on an errand shortly before 10 o'clock.

The desperate Colonel chose a 12-mat guest room on the second floor of their home in the fashinoable suburb of Setagaya to commit the deed. He left five letters addressed to members of his family and to the War Office and five others unaddressed.

The War Office issued an official communique stating that Col. Yamada had committed suicide, assuming responsibility for the assassination of Lieut.-Gen. Nagata. The slaying came as a dramatic climax to the extensive Army reshuffle of August 1. Lieut. Col. Aizawa who was on his way to report to his new post in Formosa from Sendai, strode into the office of Lieut.-Gen. Nagata and slashed him fatally with his service sword. The officer's act was motivated, the official communique said, by his "blind belief of current rumors regarding Lieut.-Gen. Nagata."

Flood of 1935 in China Covers Huge Area

BY C. Y. W. MENG (孟長泳)

FLOODS are perhaps the worst of the natural calamities which periodically afflict China. The country to the south of the Yangtze is mountainous, and the rivers in that territory give little trouble. But in North China the rivers, after taking their rise in the loess highlands of the North-west, flow across an immense plain before reaching the sea. In the course of centuries, having washed down great quantities of silt, they have formed beds which are higher than the surrounding country, and can, therefore, only be kept from overflowing by means of dykes. In Central China, though there is nothnig like the same quantity of silt carried by the Yangtze, the conditions are not dissimilar. The bed of the Yangtze is not deep enough to accommodate the water flowing into it after a period of abnormally heavy rainfall. Its tendency at such a time is, therefore, to spread over the whole of the neighboring plain. So, in a country so situated, to conduct more immediate and adquate conservancy work should be the supreme task of the Government!

The Flood of 1931

The National Flood Relief Commission, in its report on the flood situation of 1931, says: "During the late summer months of 1931, 25,000,000 people inhabiting an area of 70,000 square miles, were affected in various ways by the greatest flood in the history of China. Approximately 140,000 persons were drowned, and a number which cannot be accurately ascertained, but which must be very large, lost their lives through other causes directly attributable to the flood. Forty per cent of the people in the affected regions were compelled to migrate for the greater part of winter. A crop worth $900,000,000 was lost, and a total loss of $2,000,000,000 was borne by a community whose average family earnings do not exceed $300 a year. Indeed, the inundation of the heart of the Yangtze Valley in 1931, affecting a population of 43,000,000 and creating famine conditions, was probably the greatest natural calamity on record!

The Flood of 1935 More Serious!

But the flood of 1935 is more serious than the flood of 1931 and the drought of 1934. The reason for our statement is that during the flood of 1931, only the heart of the Yangtze Valley was inundated, but the water of the Yellow River—generally known as China's "Sorrow"—did not rise very high. But in 1935, not only was the heart of the Yangtze Valley inundated, but also the Yellow River regions. Secondly, in the drought of 1934, it was only the agricultural products that were lost and damaged, but in the flood of 1935, in addition to the agricultural products, human lives, live stock, etc., were also lost and damaged. Due to the sudden rise of the Yellow River water during the night the whole city of Yen Shih Hsien 偃師縣 in the Province of Honan was submerged with water, and many of the people, being caught unawares, were drowned. According to another *Reuters* report dated Aug. 25, somewhere near Hankow, "about 30,000 corpses were floating on the river!"

The Inundation of the Yangtze Valley

Out of the six provinces which have been affected by the flood, four provinces, namely, the Provinces of Hupeh, Hunan, Kiangsi and Anhwei, have been the worst sufferers. Out of the four provinces, the Province of Hupeh has suffered the worst. Out of the 70 hsiens in the Province, 51 of them have been flooded. Out of these 51 hsiens, three of them, namely, Tien Men 天門 Chung Zsiang 鐘祥, and Han Chuan 漢川, were the worst sufferers. All of them have been completely flooded. It is reported that about 60% or 70% of the people have been drowned, the rest of them having saved themselves by climbing up to the trees only to meet their death by starvation! It must be borne in mind that the places affected by the floods are mostly known for their cotton production. Therefore it must be quite damaging to the Chinese cotton industry as well.

In the Province of Hunan, out of 76 hsiens, 37 of them have been flooded. To speak of Chang Teh Hsien 常德縣 alone, the area of land flooded is estimated to be 390,000 mow. Again, it must be borne in mind that Hunan is famed for rice production, but now half of the province is being davastated by flood.

In the Province of Kiangsi, out of 83 hsiens, 49 of them have been flooded. The loss of human lives in Yuan Sui Hsien 永修縣 alone is 1,000 lives; and the losses to properties, etc. in Shih Sen Hsien 鉛山縣, and Teh Ching Hsien 德興縣 amount already to $4,000,000. Again, it must be borne in mind that Kiangsi is famed for rice production. But now more than half of the Province is inundated by the rise of Yangtze water. Its effect on the rice production may easily be imaged.

In the Province of Anhwei, out of 60 hsiens, 13 of them have been flooded. The following is a rough table giving the names of the "hsiens" in the four Provinces, inundated by the rise of the Yangtze water.:

PROVINCES AND NAMES OF HSIENS FLOODED

HUPEH:—Wuchang 武昌, Kai Yu 嘉魚, Chung Yang崇陽, Pu Chi 蒲圻, Yang Sin 陽新, Tung Chen 通城, Han Yang 漢陽, Tan Chung 鄲春, Tan Sui 鄲水, Wang Mei 黃梅, Kwang Chi 廣濟, Wang Kan 黃岡, Wang Po 黃皮, Hsueh Kan 孝感, Yuan Chi 雲夢, Ing Chen 應城, Tien Men 天門, Han Chuan 漢川, Oo Yang 沔陽, King Sen 京山, Chung Hsiang 鐘祥, Chien Kiang 潛江, Kiang Lin 江陵, Chin Men 荊門, Kan Li 監利, Shih Sui 石首, Chin An 正安, Chih Kiang 枝江, Sung Chih 松滋, Sheng Yang 襄陽, I-cheng 宜城, Kwang Hwa 光化, Ku Chen 穀城, Ichang 宜昌, Yuan An 遠安, Tan Yang 當陽, Yi Tu 宜都, Shing Sen 興山, Mei Kwei 秭歸, Wu Feng 五峯, Wei Yang 巍陽 Ou Shih 恩施, Hofeng 鶴峯, Lai Feng 來風, Pei Hsien 鄖縣, Po Hsien 鄖縣, Pei Si 鄖西, Fanghsien 房縣, Tsao Sen 竹山, Tsao Ku 竹谿, and the Municipality of Hankow 漢口市.—*Total 50 hsiens and one Municipality.*

HUNAN:—Yi Yang 益陽, Changtch 常德, Yao Yang 岳陽, Yuan Yang 沅陽, Han Sui 漢壽, Nan Hsien 南縣, Feng Hsien澧縣, Sheng Ing 湘陰, An Liu 安鄉, Hwa Yuan 華容, Lin Sheng 臨湘, Chih Li 慈利, Shih Men 石門, Lin Feng 臨澧, Pei Kiang 平江, Changsha 長沙, Sheng Hsiang 湘鄉, Sheng Tan 湘潭, Lin Ching 甯鄉, Liu Yang 瀏陽, Chi Yang 祁陽, Heng Sen 衡山, Heng Yang 衡陽, Shen Shih 桑植, An Ing 安仁, Shao Cheng 邵陽, Tai Yuan 大甯, Chang Ling 常甯, Lin Yuan 甯遠, Tung Dao, 通道 An Hwa 安化, Ma Yang 麻陽, Shui Pu 淑浦 Feng Wang 鳳凰, Dao Yuan 桃源, and Yuan Lin 沅陵.—*Total 37 hsiens.*

KIANGSI:—Sin King 新淦, Shan Kiang 峽山, Chi Sui 吉水, Feng Chen 豐城, Sin Chien 新建, Yuan Sui 永修, An Yi 安義, Tai Ho 泰和, Ching Kiang 清江, Chen Ji 進賢, Kao An 高安, Wu Ling 武甯, Chih An 吉安, Wen Lan 萬年, Chih Nan 虞南, Lang Nan 龍南, Pao Yang 都陽, Sin Tse 星子, Hsiang Kao 上高, Hsiang Hsueh 上饒, Nanchang 南昌, Kwang Teh 光澤, Tse Yuan 婺源, Si Sui 修水, Yu Kei 餘口, Kwang Chung 廣昌, Peng Teh 彭澤, Tu Chung 都昌, Kwang Feng 廣豐, Kwei Ku 貴谿, Ku Yang 戈陽, Leh Ping 樂平, Feng Shing 奉新, Teh An 德安, Min Sen 銘山, Tung Sheng 東鄉, Wang Feng 橫峯, Hu Kei 湖口, Teh Yu 德興, Shing Yu 新喻, Kuikiang 九江, Yu Sen 餘山, Tung Ku 銅鼓, Ting Nan 定南, Fu Liang 浮梁, Shing Feng 信豐, Wen Tai 萬載, Sui Chung 瑞昌, and Feng Yi 分宜.—*Total 49 hsiens.*

ANHWEI:—Hwei Ling 懷甯, Sheng Chen 相城, Tung Liu 東流, Tung Ling 銅陵, Wen Kiang 望江, Sui Chih宿私, Nan Ling 南陵, Wen Chung 繁昌, Wuhu 蕪湖, Tan Hu 當塗, Kwei Ti 貴池, Ti Sen 滑山.—*Total 13 hsiens.*

The following table will give us some idea about the losses and damages to lives and properties in the flooded area in the four Provinces:

Provinces	*Area of Land Flooded (Mow)*	*Loss of human lives*	*No. of refugees*	*Losses to Properties*
Hupeh	66,000,000	The population of Han Chuen Hsien is 290,000 people. But only 70,000 were saved, the rest were drowned	7,100,000	$200,000,000
Hunan	5,000,000	Not Known	4,100,000	$20,000,000
Kiangsi	2,800,000	,, ,,	1,800,000	The losses to Yuan Sui Hsien alone about $10,000,000.00 For Shih Sen & Teh Shing about $4,000,000.
Anhwei	400,000	Not Known	300,000	$6,000,000

That is, to speak of these four provinces alone, about 73,000,000 mow of land which are good for agricultural cultivation have been devastated by flood. There are about 14,000,000 refugees who have now to look upon the charitable organs for support, while the number of dead—which must be very heavy —could not yet be ascertained, as no reliable information is yet available. The losses to the properties, according to the experts' estimates, must be above $300,000,000.

The Inundation of the Yellow River

The following is a rough table giving the names of the "hsien' in the four Provinces, inundated by the rise of Yellow River water:

PROVINCES AND NAMES OF HSIENS

SHANTUNG:—An Chen 鄞城, Ho Teh 荷澤, Kan Chen,鄄城 Chu Ya 鉅野, Kai Hsiang 嘉祥, Tung Pei 東平, Ven Hsien 汶縣, Tsining 濟甯, Yu Tai 魚台, King Hsiang 金鄉, Ting Dao 定陶, Chen Wu 城武, Sui Chang 嘉張, Ting Hsien 滕縣, Teh Hsien 嶧縣, Ven Hsien 范縣, Yang Ku 陽穀, Kwan Hsien 冠縣, Kwan Tao 館陶, Ing Pei 茌平, Kao Tse 高書, Hsia Tien 夏津, Wu Chen 武城, An Hsien 恩縣, Yu Chen 平原, Teh Hsien 德縣, Chang Chu 章邱, Pu Hsien 濮縣 and Yu Chen 禹城.—*Total 29 hsiens.*

HONAN:—Yen Shih 偃師, Chuan Hsien 鄄縣, Che Chuan 浙川, Yen Chen 偃城, Feng Chu 封邱, Si Hwa 西華, Sheng Sui 商水, Sing Feng 新野, Sheng Chen 襄城, Nan Yang 南陽, Lai Feng

芸封, Chen Liu 陳留, Chu Pei 逮平, Teng Hsien 鄧縣, Tang Ho 唐何, Lai Hsiang 內鄉, Ting Pei 鎮平, Hwa Hsien 滑縣, Si Pei 西平, Sing Yang 沁陽, Huan Chen 項城, Ling Chang 臨漳, Yi Yang 伊陽, Lo Yang 洛陽, Chi Sui 汜水, Hsiang Tsai 上蔡, Kao Hsien 嵩縣, Chi Yuan 濟源, Tang Ing 湯陰, Oo Ling 鄢陵, Pao Feng 寶豐, Nan Chao 南召, Wei Tse 尉氏, Wu Yang 舞陽, Hwa Yang 淮陽, Cheng Hsien 鄭縣, Kwan Yang 官陽, Yu Nan 汝南, Yih Hsien 葉縣, Chin Yang 正陽, Fo I 傅愛, Yuan Tien 延津, Lin Yu 臨汝, Chi Hsien 淇縣, Yuan Wu 原武, Ling Chi 臨潁, Tung Hsu 通許, Kaifeng 開封, Kwang Fu 廣武, Wu Teh 武陡, and Shan Hsien 陝縣.—*Total 51 hsiens.*

HOPEI :—Tung Min 東明, Chen Heng 長恒, Pu Yang 濮陽.—*Total 3 hsiens.*

KIANGSU :—Tung Sen 銅山, Feng Hsien 豐縣, Pai Hsien 沛縣, Ti Hsien 碭山, Siao Hsien 蕭縣, Pi Hsien 邳縣, Su Chin 宿遷, Wu Tang 沐陽—*Total 8 hsiens.* (In the time when these lines are written, is it reported that the flood situation in north Kiangsu is becoming more serious and it is generally believed that more hsiens in the Province of Kiangsu have to be affected by the flood).

These provinces are famous fertile and plain land, not only in China but in the world, which is very suitable for agriculture productions. But China's "sorrow" certainly has done huge damage to them!

The following table will give us some idea of the losses and damages to the human lives and properties in the flooded land in these Provinces :—

Provinces	*Area of land flooded*	*No. of sufferers*	*No. of drowned*	*Losses to properties*
Shantung	48,750,000 Mow	3,500,000	Not known	$255,250,000
Honan	24,905,944 ,,	1,700,000	4,279	60,000,000
Hopei	783,375 ,,	397	1,700,000	3,000,000
Kiangsu	not known	not known	not known	not known

As to Kiangsu, there is no information available, as the flood situation in Kiangsu is still very serious. But to speak of Tung Sen (Hsuchowfu) alone, the area of land flooded is estimated to be 120,000 mow, the losses of properties at $5,000,000 with 210,000 refugees. The seriousness of the flood situation in Kiangsu is thus very clear.

When we put these two tables together, we shall have some idea of the flood of 1935 in China, as the following table would indicate :—

	Area of landed flood	*No. of Sufferers*	*Losses to Properties*
Yangtse Valley	74,200,000 mow	14,000,000	$226,000,000 (excluding Kiangsi)
Yellow River Regions	80,439,319 mow	5,000,000	$318,250,000 (excluding Kiangsu)
Total	54,639,319 mow	19,000,000	$544,250,000

In compiling these tables so as give some idea of the flood of 1935, we wish to remind the reader that our estimates are very rough and incomplete, based only on the information so far available. Should we make a closer study of the flood situation in the above mentioned eight provinces and, further include the flood situation in such provinces as Suiyuan, Shansi and Shensi, etc., we would find that the flood of 1935 has done indeed a great damage to China, both in the loss of human lives, properties, as well as to aggricultural products, and that it is probably the greatest natural calamity on record!

Nanking, October 4, 1935.

American Church Mission Celebrates Ninetieth Anniversery

The American Church Mission celebrated the ninetieth anniversary of its birth Oct. 7 by holding two services, at the Church of Our Saviour, 502 Dixwell Road, Shanghai. Both services were conducted entirely in Chinese and there were many people present.

The first branch of the American Church Mission to China was established in Shanghai on June 17, 1845. Since its inauguration, 10,000 persons have been baptized. Other branches of the mission are established in the provinces of Anhwei, Kiangsi, Hunan, and Hupeh.

St. Luke's Hospital in Seward Road, St. Elizabeth's Hospital in Avenue Road, St. John's University in Jessfield Road, and St. Mary's Hall in Brenan Road, are institutions which all have been founded in Shanghai by the American Church Mission.

Naidis, Suspected Russian Communist, Still Held at Hankow

The Shanghai Russian newspaper *Slovo* states that nothing new has occurred lately regarding the man Naidis, who was arrested in Hankow several weeks ago as a partner in the plot to secure the escape of Joseph Walden (Mr. "X") convicted Communist now serving a prison sentence. When Naidis was arrested $35,000 was found in his trunk. Investigations are being made as to the source of his money. Naidi's family is in Sovie tRussia ; his father is prominent in Vladivostok as a large bean exporter.

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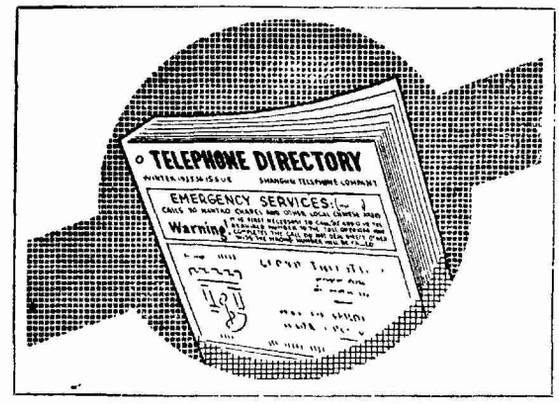

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M.T. Mag. 10c-35

In the United States Court for China

In re.
Estate
of
THOMAS N. THOMPSON,
Deceased.

Cause No. 3960
Special Proceedings No. 1032
NOTICE
Filed at Shanghai, China, September 27, 1935
William T. Collins, Clerk.
L. T. Kenake, Asst. Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of THOMAS N. THOMPSON, deceased, to present the same with vouchers to the undersigned on or before April 26, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

MABEL HALL THOMPSON,
Administratrix,
No. 19, 1st Chan Shan Road,
Tsingtao.

Shanghai, China,
September 27, 1935.

74-227

Nanking Plans Expansion of Woollen Industry

An expansion of the municipal-owned woollen textile factory, an organization of a woolen textile cooperative, and the opening of a woollen goods store to push the sale of local-made woollen goods constitute the paramount features of a plan of the Nanking Municipal Government to improve the woollen textile industry in the capital. To this end a project of cooperation has been drawn up between the city authorities and the University of Nanking whereby the former will bear the financial responsibility for the development of the industry while the latter will lend its help along technical lines.

The textile factory, which was founded last year under the joint auspices of the municipal government and the university, is to be enlarged. A comprehensive extension scheme has already been worked out by the factory management and approved by the municipal authorities. A sum of $1,000 has been appropriated by the municipal government for financing the scheme.

Foochow to Have Water Works Soon

The City Government of Foochow has decided to build a water works in the city. The Department of Reconstruction has been instructed to draw up a plan in the near future in cooperation with the Department of Health for the early completion of the project.

Kweichow to Have Cotton Mill

The Cotton Mill built by the Kweichow Provincial Government will be completed in the near future, according to reports received here. The building of the plant will cost $3,000,000 in Yunnan currency, while the machinery will cost $7,000,000.

Shanghai-Nanking Railway Remits to British and Chinese Corporation

A sum of $117,152.54 (equivalent to £9,000), towards the reduction of the loan obligations of Shanghai-Nanking Railway Administration, has been remitted to the British and Chinese Corporation, it is was learnt at the Ministry of Railways in Nanking, Oct. 3. This amount went towards payment of the instalment, due in September, for the purchase of railway materials. Payment was made through the Hongkong and Shanghai Banking Corporation on September 28.

Modern Tea Plantation to be Established in Southern Anhwei

Arrangements for the establishment of a modern tea plantation at Kimen, Famen, famous teaproducing center in southern Anhwei, are being made between Liu I-yen, Provincial Commissioner of Reconstruction for Anhwei, who came to Nanking from Anking last week and Chin Fen, Secretary-General of the National Economic Council.

Telegraph Bonds Mortgaged at 40 Per Cent Discount

The actual amount of cash which the Ministry of Communications has received from the $10,000,000 Telegraph Bonds of the 24th Year of the Republic amounts to only $6,000,000. The bonds have been mortgaged to Shanghai banks at a discount of 40 per cent.

According to well informed circles, more than $3,000,000 will be returned to the British Boxer Indemnity Refund Trustee as payment on loans advanced for the installation of long distance telephones in the nine provinces of Central China. The remaining sum will be used for the installation of telegraph and telephone lines in Szechuan Province.

Proposed Economic Association in North China Would Promote Co-operation with Japan

The East China Economic Association, organized by a number of industrialists in Tientsin, including Messrs. Shen Tung-wu, Yao Kuo-chen and Niu Chuan-shan, has applied to the Tientsin Municipal Government for registration. It is stated that the association has as its object the promotion of Sino-Japanese economic co-operation in North China but the Bureau of Social Affairs denied a report that permission had been given to the association to operate.

United States Is Buying More from China

Substantial increases in the imports of goods from all important trading countries of the Far East, but a continuation of the severe contraction of American exports to China, were reported at Washington Oct. 1 by the Department of Commerce in its monthly statistical review of Far Eastern trade. United States imports during the month of August from the entire continent of Asia were $48,619,000, as against $33,137,000 during the corresponding period of 1934. During the month imports from China totalled $5,087,000, as compared with $2,478,000 one year ago. From Japan, the United States took $12,633,000 worth of goods.

"Shanghai Nippo" Opposes Nanking Regulations on Sale of Drugs

Commenting on the decision of the National Government in Nanking to enforce the regulations governing the drug trade in China on January 1, 1935, the Japanese paper *Shanghai Nippo* points out that the French authorities have warned the Chinese Government to consider the "unlawful regulations" more deliberately, while the Japanese Association of Drug Salesmen has asked the Japanese Consul-General to lodge a protest with the Chinese authorities. Dwelling on the Nanking Government's intention to cancel extraterritoriality, the Japanese paper states that Nanking's recent attempt to seek permission from Settlement authorities to examine industrial enterprises in Shanghai, is one proof of Nanking's desire to abolish this right. "The Chinese authorities will adopt further regulations governing the cosmetic trade and other general commodities if the present regulations on drugs are accepted. This is the logical result of the Nanking Government's traditional policy."

Japanese Engineers Selected for Chinese Conferences

Twenty-two prominent Japanese engineers and Government officials were named Oct. 3 by the Kosei Kai, a Tokyo industrial organization, to represent Japan in a series of conferences with Chinese and Manchukuo technical experts and industrialists, to be held in the leading cities of China, Korea and the new Empire this month. The delegation will be headed by Viscount Dr. Tadashir, Inoue, a member of the House of Peers and a leading member of the Kosei Kai.

The first conferences will be held in Shanghai on Oct. 18-19, followed by one-day conversations in Nanking, Oct. 21. The delegation will spend a day in Tientsin, Oct. 23, exchanging views with leading engineers, and two days in Peiping, Oct. 25-26. Similar conferences will be held in Dairen, Hsinking and Seoul.

Sumitomo Official Says Chinese See Need for Co-operation with Japan

The sole way to develop North China is through Sino-Japanese co-operation, Jun Kawada, Managing Director of the Sumitomo Goshi Kaisha, one of Japan's major financial concerns, declared at Moji, Oct. 6 on his return from an extensive tour of North China. "The Chinese leaders are now also seemingly realizing this necessity," Mr. Kawada added. "North China's first need is the establishment of political stability. The region's 80,000,000 people are impoverished after many years of maladministration. Steps to promote economic activities and foreign trade are also necessary to bring them out of their present misery," the official of this Yen 150,000,000 firm declared.

B. T. B. Boothy, B. & C. Corporation Representative, Will Not Return to China

B. T. B. Boothby, for the past eight years the representative of the British and Chinese Corporation in China, will not return to China as originally announced. Ill-health is given as the reason for his not returning. Mr. Boothby left Shanghai last May on long leave, but illness caused him to change his plans. Mr. Boothby's first connection in China was with the Canton-Kowloon railway. After the World War he returned again to China, and for five years was with the Shanghai-Nanking Railway, resigning his position there in 1924.

Nanking to Draft Regulations for Foreign Chambers of Commerce

In view of the fact that at present there are no definite rules governing the organization of foreign Chambers of Commerce in the various cities of China, the Ministry of Industries is stated to be considering plans for the drafting of such regulations.

American Foreign Trade Convention Will Be Held at Houston Nov. 18-20

An important event in American business circles—all the more important this year because of the upward swing in business—is the National Foreign Trade Convention to be held in Houston, Texas, Nov. 18-20. A Call to the Convention has been issued by James A. Farrell, Chairman of the National Trade Council. In it he says that one of the chief objects to-day is to free the channels of international trade from obstacles which continue to retard the economic movement of goods and services. Mr. Farrell also stated that the annual convention is a national institution which embraces all the elements that combine to give unity of purpose to American economic life.

Eurasia Aviation Co. Plans Night Flights Between Shanghai and Nanking

Night flights between Nanking and Shanghai on Wednesdays and Saturdays are being planned by the Eurasia Aviation Corporation. The flights will be made by the JU52 tri-motored airplane recently purchased from Germany. This airplane is on the regular run between Shanghai and Chengtu via Nanking, Chengchow, Sian, and Hanchung. The Shanghai-Chengtu trip is made in one day. Leaving Shanghai on Tuesday, the airplane reaches Chengtu the same day, and returns to Shanghai on Wednesday. It also leaves Shanghai for Chengtu on Friday, and returns on Saturday.

On returning from Chengtu to Shanghai every Wednesday and Saturday, the plane will make the Nanking-Shanghai section of the trip by night. Facilities for night flights, including a powerful beacon, are to be installed at the Lunghua Airdrome.

Oriental Clipper Sets Record of 17½ Hours from California to Honolulu

Setting a new speed record on the first leg of its fourth test flight over the Pacific, the giant plane, *Oriental Clipper*, landed in Honolulu Oct. 6—17½ hours from the moment it took off at Alameda, California. The *Clipper*, a four-motored plane which Pan-American Airways expects to place in operation on the airmail and passenger service between San Francisco and China, later proceeded to Midway Island taking four additional members of the crew, bringing the total personnel to eleven. From Midway Island, the craft was scheduled to hop to Wake Island, the goal of the last test flight, and, from Wake, it was scheduled to take off for Guam. It was indicated that the present flight will be the last before inauguration of the trans-Pacific line on a regular service.

The new trans-Pacific air route via Hawaii, and its probable effect on commerce in the Pacific will be a major item on the agenda of the Western Division Meeting at Honolulu of the U.S. Chamber of Commerce from Nov. 27 to 30. It is predicted that the Pan-American planes will be carrying passengers between California and Hawaii before the end of this year.

Japanese Bring Pressure on Philippines to Thwart Pan-American ?

The *Tokyo Yomiuri's* correspondent in Washington recently telegraphed that reports had been circulated in America that Japan is objecting to the expansion of the Pan-American Airway Company's aviation service to the Philippines and is scheming to persuade the Philippine legislature to reject the application for permission to land in the Islands on the ground that it would be injurious to Japan's expansion of commercial rights to the Philippines.

Wreck of Canton Bomber Found by Fishermen Near Hongkong

The wreckage of an airplane discovered by Chinese fishermen near Hongkong on Sept. 26 turned out to be that of a bomber belonging to the Canton Aviation department. The plane was being flown by a student named Li Chi-shing, whose body was found still strapped to the pilot's seat. His body was taken to Canton for burial in the recently established Aviation Cemetery. Two other Cantonese aviators, Wu King-mo and Lai Min-hai, who were killed in an accident near the Chungshan University campus, were also buried in the Aviators Cemetery. When motor trouble developed the plane turned over and crashed, killing both aviators.

Eurasia Plane Damaged at Rangoon

The giant Junkers plane, which is destined for the Eurasia Aviation Co., arrived at Rangoon on October 4, but was slightly damaged while landing there. The necessary repairs will necessitate about a week; then the flight to Shanghai will be resumed.

Japan-Formosa Air-Mail Service Is Opened

Regular air mail services between Japan proper and Formosa was inaugurated Oct. 8 when a Fokker trimotor took off from the airport at Fukuoka arriving at Taikhou on the afternoon of the same day. The new service, which will maintained on a weekly basis for the time being, was opened in celebration of the fortieth anniversary of Japanese rule in Formosa.

Kwangtung, Kiangsi to Be Linked by Airline

To link Kiangsi province with Kwangtung by air, the Southwest Civil Aviation Corporation has mapped out plans for the opening of an airline between Canton and Hanchow, in south Kiangsi.

Two New Planes Arrive at Canton for Lungchow Line

Owing to increase of business, the Southwest Aviation corporation has ordered many new airplanes. Two of them arrived Sept. 20 and were christened *Chi-mei* and *Kan-kee*. The new planes will fly along the Canton-Lungchow line.

Marine Corps Colonel Killed in Airplane Crash

Lieut.-Col. J. E. Davis, of the United States Marine Corps, was killed and Gunnery-Sergeant Hugh Owens was critically injured in an airplane crash which occurred near Lordsburg, New Mexico, Oct. 7. The deceased was formerly on duty with the Fourth U.S. Marine Corps in Shanghai.

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亞林沙而

為褐色澄明之濃液，含有百分之五十 CRESOL 殺菌力非常準確偉大，誠可供醫院……一切用具之消毒，以及治療皮膚諸症。家庭……洗滌衣被，噴洒房室，消毒防疫，裨益衛生。人體……常用浸浴，能增強皮膚，抵抗病菌。

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上海五洲大藥房 行發

Visiting Delegations, Dinners, Friendly Greetings, But No Practical Results

(The following editorial, based on the Sir Frederick Leith-Ross Mission, appeared in the Chinese owned and edited "Hankow Herald" on Sept. 14.)

FOR the next few weeks a great deal of attention will be centered on the activities and views of Sir Frederick Leith-Ross, chief economic adviser to the British Government, who has just arrived in China as the head of a mission to investigate the economic conditions here. Sir Frederick will be busily engaged, for the next two months of his stay in China, in conversations with both Chinese and British authorities, bankers, financiers and other business leaders on the economic and trade conditions here and, probably, devising ways to improve such conditions and also Anglo-Chinese trade relations.

Economic and trade missions from abroad are no strangers in China. We have had such missions from almost every quarter of the globe, all presumably seeking to expand their trade in this proverbial "great potential market of the world." The last one we had the honor of welcoming was the group of American industrial and commercial leaders who visited Hankow last spring. If there had been any tangible benefits from such trade missions, they were at least not evidenced by the trade figures. In the meantime China's foreign trade and her internal finances remain in a deplorable state, to some extent through no fault of her own. China will of course always be ready to extend wholehearted welcome to her foreign friends who are genuinely interested in improving the mutual trade relations but it is now increasingly more evident that dinner engagements and exchanges of greetings in the most refined language will not help China and her trade. Nor will her trade be improved if those gentlemen in morning coats seek only to sell China more tons of steel plates, cases of sardines or toothbrushes. If China and the rest of the world are to be benefited by any improvement in her trade relations with the outside world, ways must be sought whereby China is to be put economically on her feet again and her international trade balances adjusted to some degree resembling a balance.

We are, therefore, happy to note that Sir Frederick is said to be not so much interested in the immediate expansion of British trade in China as in surveying the economic situation here with a view to devising some international cooperation in improving such situation. A further significant point is that the mission which Sir Frederick is heading is a government one and Sir Frederick is here in the capacity of an ambassador of Great Britain to China on economic matters. Consequently his views acquire added importance and carry more weight with his government than those of a private nature.

Any forecasts on the possible concrete results from the British mission at this moment will be pure conjectures. Much negotiation will have to be gone through between the Chinese and British authorities before any definite proposals can be made. But even at this early hour one can see some difficulties that the British mission will meet in its effort to bring about a closer Sino-British economic cooperation. Though the avowed purpose of the mision is economic in the present international dealings, economics can not be clearly demarcated from politics. We do not know what sort of welcome Sir Frederick has received from the Japanese authorities when he visited Japan enroute to China but, from the Japanese press comments, whatever welcome he received was not unmixed with warnings and misgivings.

Before his arrival in Tokyo the Japanese newspapers unloosened a broadside of attacks on the "inconsistencies" of the British policy toward China. Britain was accused of closing her vast colonies to the Japanese trade while insisting on "Open Door" in China. Mr. Hirota, the Japanese Foreign Minister, was reported by the *Asahi* then as holding the view that the British attempt to seek Anglo-Japanese cooperation in economic assistance towards China were meaningless and futile unless Great Britain came to realize "fully and sympathetically" Japan's population and economic problems and that the application of the principle of "Open Door" and of equal opportunity, which Britain so ardently seeks in the Far East should be applied to the British Empire as well. His arrival in Shanghai last Saturday was greeted by the Shanghai *Nippo*, generally regarded as reflecting the Japanese official views, by an editorial headline, "How Can England Bolster Up Her Declining Influence?" In this editorial the same view as that of the *Asahi* was expressed on the impossibility of Japan cooperating with Britain in any economic assistance to China unless Britain opens upon her colonies for the unrestricted entry of Japanese and their goods. The *Nippo* also warned China that if she "depends on Lieth-Ross, she will be in the position of a drowning man clutching at a straw."

The very fact that Sir Frederick Leith-Ross took the trouble to visit the Japanese government leaders while enroute to China and consult them on his mission here indicated the conviction on the part of the British government that any international economic cooperation in China is impossible without Japan's participation. In view of Japan's determination to oppose international economic assistance to China and her position regarding the expansion of economic and trade influence by any other power, as made clear by repeated official declarations, it is difficult to see how the British financial expert can achieve his avowed purpose of devising some measure of international assistance for China.

Nine Chinese Organizations Give Dinner to Leith Ross

SIR Frederick Leith-Ross, chief economic adviser to the British Government, who is in China on a two-month investigation tour to study the country's economic and financial condition, was the guest of honor at a joint dinner given by nine leading Chinese organizations at the Bankers' Club, 59 Hongkong Road, Oct. 5. Sir Frederick is working with his assistants, Messrs. E, L. Hall Patch, C. Rogers, and N. E. Young, the latter having arrived in Shanghai Oct. 6, following investigations in the South. He is being assisted by the Ministry of Finance, and the Central Bank of China, which have appointed Hsu Kan, Vice-Minister of Finance, Jian H. Chen, deputy-governor of the Central Bank, and Tseng Yung-pu, member of the monetary reorganization committee of the Finance Ministry, and others to assist in Sir Frederick's investigations.

A speech of welcome to Sir Frederick and his associates on behalf of the nine organizations was delivered by Dr. P. W. Kuo, in the course of which he said the representatives of the various organizations present stood ready to be of service to him and sincerely hoped that through his travels and investigations he would obtain a true picture of the economic and financial needs of China and, that whatever conclusions and recommendations he would be led to make, would on the one hand be of benefit to British interests in the Far East, and on the other help China in her efforts toward national reconstruction and rehabilitation. They were confident that with his rich experience and profound knowledge, he would be in a position to offer suggestions to the Chinese Government as to the best ways and means of bringing about economic recovery—which affected not only the welfare of China but that of the whole world.

"Shanghai Nippo" Warns Chinese to Realize Strength of Japan's Position

Referring to the speech delivered by Sir Frederick Leith-Ross, the British envoy, at the dimer given in his honor by various business organizations on October 5, the *Shanghai Nippo* commented that even the British envoy recognized the fact that the creation of a strong and good Government is necessary for the improvement and development of commerce and peace.

"This statement," the paper continued, "is Sir Frederick's frank expression of his vivid impression of the disorder of the country."

Recalling the friendly sympathy offered by Wang Ching-wei during the last earthquake in Japan, the Japanese paper emphasized that Mr. Wang fully recognized even at that time, Japan's importance to the cause of peace in the Far East. "At present, all the European and American powers realize the strength of Japan's position and loans to China will not be made without Japan's consent."

"Asahi" Says Leith-Ross is Offering Loan to Nanking

A loan of $200,000,000 is being offered to the Nanking Government by Sir Frederick Leith-Ross, Chief Economic Adviser to the British Government, with China's railways as the collateral, the Tokyo *Asahi* reported Oct 7. Sir Frederick's proposal for Anglo-Japanese co-operation in extending financial aid to China has been rejected by the Japanese Government, while France and the United States are now indifferent to the idea of international economic action in China, the journal added.

Commenting on this report a spokesman of the Foreign Office stated said that he knew nothing of Sir Frederick's movements in China, but that he understood that the British Government last February held new loans to China "useless and harmful."

Financial Conditions in Hupeh Become Worse

Because of the decrease in provincial revenues due to the intentification of rural bankruptcy following the recent flood and the acute business depression following the closure of a number of banks, the financial condition of the Hupeh Provincial Government is reported to be extremely precarious. It is further reported that the monthly grant of $400,000 from the Special Tax (Opium Tax) has not been paid to the Provincial Government for several months.

Ma Yin-Chou Discusses Terms for Accepting Foreign Capital

Ma Yin-chou, leading Chinese economist and member of the Legislative Yuan, in an article published in the *Bankers' Weekly* Oct. 4, gives a detailed treatise on. the problem of "Utilizing Foreign Capital."

Discussing the international payments of China, Mr. Ma is of the opinion that China's international payments can be easily balanced at present. Although China's imports exceed her exports, each year (1) China's exports $400,000,000 worth of silver and gold, (2) she has foreign investments amounting to $80,000,000, (3) her remittances from Chinese overseas amount to $250,000,000, and (4) foreign diplomatic services and others spend approximately $200,000,000 here.

Japanese Textile Business Leaders See Need of Accord with Lancashire

Leaders of the Japanese textile industry will gather in Osaka on Oct.17 to confer with Shinjiro Matsuyama,commercial counsellor of the Japanese Embassy in London, on the possibilities of reaching an accord with Lancashire industrialists for a division of world markets.

The anxiousness of the Japanese cotton spinning and weaving firms to reach an agreement with their British rivals, was said by observers in Japan to have increased since the governments of India, the Netherlands East Indies and Egypt have indicated their intention to curb the inroads of Japanese goods. This tendency was attributed to the pressure brought about to bear on these authorities by the Lancashire bloc.

Miscellaneous Silver Dollars in Szechuan to Be Redeemed

In addition to the redemption of Szechuan bank notes by Shanghai bank notes, the Ministry of Finance is taking definite steps to redeem the miscellaneous silver dollars minted in Szechuan. According to an investigation made by the Ministry, there are $70,000,000 worth of miscellaneous silver dollars in Szechuan Province.

These dollars will be recalled and re-minted by the Central Mint in Shanghai. The transportation of these silver dollars from Szechuan to Shanghai and the minting of them in the Central Mint will mean a loss of $3,000,000 to the ministry, the Shanghai *Shun Pao* stated October 7.

Government Takes Action Against Rumors

Telegraphic instruction have been sent to the City Government of Greater Shanghai and the Shanghai-Woosung. Garrison Headquarters by the Ministry of Finance to the effect that special drastic actions will be taken against anyone spreading unfounded rumors which may jeopardize the financial stability of the country.

Ping-Han Railway to Spend $22,000,000 in Seven Years

A Seven-Year-Plan, involving the expenditure of $22,000,000 for the readjustment and improvement of the Peiping-Hankow Railway service, has been approved by the Ministry of Railways. According to the railway administration, the plan provides for improvements in both the technical and financial aspects. On the technical side, attention will be paid to the renewal of decayed wooden sleepers, repair and re-building of bridges, installation of the latest mechanical devices, increase in the number of locomotives and rolling-stocks and the modernization of the railway workshops.

On the business side, steps will be taken for settlement of debts in arrears and amortization of existing loan obligations, improvement of the budgetary system and the credit of the railway administration.

In addition to the purchase of 20 locomotives, the workshops at Hankow and Changsintien, southwest of Peiping, will be expanded and modernized in order to meet the increasing demands for facilities to repair demaged engines and the manufacture of minor equipment of accessories. Up-to-date devises will also be utilized to ensure greater efficiency and safety in traffic.

Japanese Financier Says China Is Headed for Inflation

In an interview with press representatives in Shanghai Oct. 6, Mr. Kubito, a Japanese financier from Manchuria, who is investigating the economic conditions in China, and who is visiting in Shanghai, declared that in 1934, China had an unfavorable balance of foreign trade amounting to $600,000,000, and as a result, 300 million of silver dollars belonging to individuals and about 100 million dollars belonging to the Governmont left the country. The balance of $200,000,000 was offset by remittances from the overseas Chinese. With regard to the financial conditions, the Japanese financier emphasized that the banks close to the Government control more than 60 per cent of all the cash reserves throughout the country. However, the exact percentage of cash reserves is not known and may be below forty or thirty percent. Mr. Kubito expressed his belief that China is headed towards inflation.

In the United States Court for China

In re the Last Will and Testament of ROBERT ROY SERVICE, Deceased.

Cause No. 3964
S. P. No. 1034
NOTICE
Filed at Shanghai, China, This 5th day of October, 1935.
William T. Collins, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of ROBERT ROY SERVICE, deceased, to present the same with vouchers to the undersigned on or before April 12, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Grace Boggs Service, Executrix,
c/o Allman & Co.
206 Hamilton House
Shanghai

(Attorneys for the Executrix)

Shanghai, China,
October 5, 1935.

In the United States Court for China

In re. the Estate of KENNETH ERIC JOHN AINSWORTH DABELSTEIN Deceased.

Cause No. 3965
Special Proceedings No. 1035.
NOTICE
Filed at Shanghai, China, October 7, 1935.
William T. Collins, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of KENNETH ERIC JOHN AINSWORTH DABELSTEIN, deceased, to present the same with vouchers to the undersigned on or before April 12, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

N. F. Allman,
Administrator,
Hamilton House,
Shanghai, China.

Shanghai, China,
October 7, 1935.

The Italo-Abyssinian Dispute—An Imbroglio

BY S. Y. LIVINGSTON HU

(Concluded from last week)

THIS Italo-Abyssinian Dispute is fraught with international complications and reaction. The Scandinavian Nations (Denmark, Finland, Sweden and Norway) have challenged the League of Nations to continue to strive through all defeats to raise their voices for peace and freedom of nations; Austria contemplates a Hapsburg Restoration during this Italo-Abyssinian Crisis in Central Europe; Italy is trying strenuously to impose upon the Little Entente Powers its plan for a Danubian Security Pact with a view to avoiding a Hapsburg Monarchical Restoration. Thus the Minor Powers are Pro-Italian or Pro-Abyssinian according to what their own national interest dictates. But with England and France this Italo-Abyssinian Crisis takes up an entirely different perspective because their colonial possessions in Africa are in vital conflict with those of Mussolini's.

The Italo-Abyssinian Dispute has been worrying the London Cabinet in more ways than one, namely, the possibility of shaking up the British colonial possessions in Africa and the possible unrest among the colored peoples of the British Empire in case of a defeat of a white race by a black race; also in view of the unexpected entrance of Japan, a champion of the colored race, into the scene. Evidently Japan must have certain definite purposes—to further her Pan-Asiatic Movement and to get back into the Concert of European Powers on account of her diplomatic isolation due to her withdrawal from the League of Nations, and incidentally to annoy Italy too. Consequently, on the one hand the British Policy aims at the formation of a united Kellogg-Briand-Pact Front against the looming war between Italy and Abyssinia. The American Congress has, however, passed a new neutrality Bill to thwart this British plan for Anglo-American Co-operation—a near-death blow to British Diplomacy. Premier Laval has shown disapproval of the British policy of strong action by applying the League sanctions, this because of France's fidelity to the Stresa Agreement pledging friendship with England and Italy. Thus Great Britain is so cornered up that she had had to resort to her age-long "Double-faced" Diplomatic Tactics—to ally the second strongest Power against the strongest Power—as shown in her recent pro-German and pro-Japanese pronouncements of the Baldwin Cabinet. "Do nothing to annoy Japan" and the "British frontier is now on the Rhine." So it was said that Hilter tore up the Versailles Treaty and built an aerial fleet, navy and army. It was also reported that the Prince of Wales made a pro-German speech during a tea party given to the Ex-Crown Princess of Germany by the King and Queen of England; but I suspect that this poor, confirmed bachelor, the Prince of Wales, may have changed his philosophy of life and his attitude towards "institutional marriage" by making that ingenious spectacular hit of "killing two birds with one stone" at the psychological moment—to achieve his personal end by a political means—an unexpected revival of a medieval practice of European politics—alignment by political marriages, which may be a case of ten-to-one chance of its eventuating into a heartbreak to himself and a disastrous statesmanship to his country. But let us all hope for the very best of that witty stroke of politics. It surprises nobody to see that France is thoroughly scared by the pro-German wave sweeping over England, but the saving grace is that "Necessity is the mother of invention." So may the "Security of France" be intact and more sanctified! Rothermere, the head of the most powerful press combine in England, was backing the Fascist Movement in England and crying "Hands Off Japan" through his *Daily Mail*, founded by his brother, Northcliffe, who was strongly anti-Japanese and anti-German What a miraculous change! Rothermere also deplored the British naval base at Singapore in support of his advocacy of giving Japan a free hand in the Far East. However, Great Britain naively overlooked that both Germany and Japan are too hard-headed and too keen to reconcile their deep-seated hatred of England—as the major sponsor of the Treaty of Versailles and of her discontinuance of the Anglo-Japanese Alliance at the Washington Conference—with its uncalled for skin-deep gesture of pseudo-friendship at this eleventh hour. But simultaneously England is trying to enforce the Leauge Covenant and to concentrate her naval forces at Alexandria, in Palestinian Waters, at Suez, at Aden and at Gibraltar and to agitate Egypt and Palestine by pledging its military assistance to their self-defense preparations, thus evidently aiming at forcing a showdown from Mussolini who, like the rock of Gibraltar, is irremovable and adamant in his campaign to crown his Empire by seizing a rich African domain for the freedom of his people from "their war-servitude," that is, dependence upon foreign supplies.

I can visualize most graphically that the arrogant British diplomacy is heading directly against a stone wall, which dictates her to call a spade a spade, *i.e.* either for England to fight an independent battle to maintain the principles of the League of Nations in practice, alias for the British monopoly of Africa on the merits of the League of Nations and of the Treaty of Versailles at such incumbent risks as the doubtful French adherence to the Stresa Agreement and to the British pro-German wave now so prevalent there, and the German neutrality on account of the Hitler-Mussolini partnership, as the master-builders of a New Europe, as a joint aspirant for a proper share of colonies in Africa and as the intransigent co-victims of the Treaty of Versailles, or for her to lose at her own game of diplomacy by a surrender of Abyssinia to Italy—a victory without war or a bloodless defeat—for purposes of fairness to Italy's ambition and of safety to her own colonial acquisitions in Africa and in the Far East. "Know Thyself," would be my layman, but sincere, counsel to the meek Great Britain because she has practically "inherited the earth."

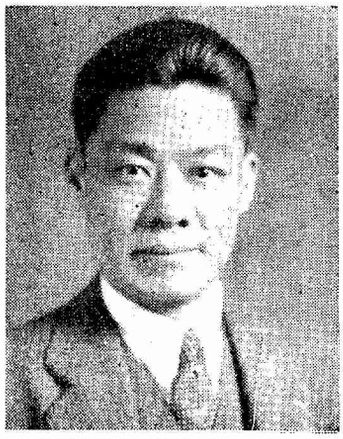
Italy and Japan Compared

Comparison is often a very hideous and odious thing. This comparison is bound to be such because I shall credit the heroic methods of approach of Italy's neo-imperialism and discredit the deceptive and cowardly ways of approach of Japan's neo-imperialism for purposes of a comparative study of national minds and of their future as great nations, since both of them have premeditated over their prey for over fifty years on their same-natured slogans of expansion—teeming population, poor soil and scanty outlets overseas for their unbounded national energy. The new Italy of toady is the pride and glory of a single man, Mussolini, who dreams that to uplift Abyssinia would be a priceless memorial to leave to Italy and to himself in this life and hereafter and who has much of the dash of Mazzini-Garibaldi and of the spirit of his Florentine mentor, Machiavelli. Thus Mussolini minces no words and makes no mountain out of a molehill in his campaign of invasion of Abyssinia against such insurmountable odds as the British-and-French military forces above and underneath, the distance and the topography and the primitiveness of Abyssinia about which Dr. T. A. Lambie, a medical missionary and a personal friend of Emperor Haile Selassie, said upon his arrival at New York that nature and disease would prove more terrifying obstacles to an invader than the warriors of "The Lion of Judah." He went on to say that perched on its 10,000 feet tableland—full of canyons and dangerous heights—Abyssinia is protected from whichever direction it is approached and the lowland is infested with typhus and malaria and the black soil becomes impassible after a single rain. Lately the Emperor has constructed some 1,200 miles of roads with which the capital is linked with the outpost forts on the edge of the plateau. Nevertheless Mussolini issued ten commandments to his Fascist divisions en route for East Africa—his two sons and son-in-law included—the two principal ones of which were:—"Il Duce never makes a mistake! Obey, since the orders come from him! Fight because you are certain of victory!" General Valle, Italian Under-Secretary for Air, declared that "We are not barbarians, we do not intend to terrify the civilian population but to attack only the enemy's army columns. We plan to use loud speakers to advise the population to evacuate." So are the differences between a coward and a hero!

Japan invaded Manchuria during the world economic depression, China's political devitalization, Russia's unfinished Five-Year Plan and the rise of Hitler and hence Russia's engrossment in her frontier problem at the western end of Europe—thus causing Russia to sell the Chinese Eastern Railway to Japan at a great sacrifice. The whole strategy of Japan in regard to Russia, the arch-rival to her expansion program in the Far East, is to push Russia back from the Pacific coast by closing the two gates—Mongolia, the gate to the Far East from the Continental Asia and Vladivostok, through which Russia might advance. So Japan has been speeding up her railway construction in North Manchuria threatening to cut the Siberian Railway in order to put Vladivostok in complete isolation, which only provides a temporary lull in a conflict of a fundamental nature which is bound to come to a head in time. Besides Japan grabbed North China when Roosevelt's silver policy brought disaster to China, when European Powers were at loggerheads and when England, due to her preponderating interest in the Far East and America on account of its fear of violation of her traditional Monroe Doctrine against entangling alliances, were unable even to agree to a deceptive subterfuge of "understandings," to say nothing about the formation of a forthright and avowed Anglo-American Alliance to deal with this Sino-Japanese crisis for the sake of Far Eastern Peace, if not for their own combined commercial and trading interest therein. Therefore the Anglo-American ineptitude gave the chance for Japan's advance. Thus Japan has been infected with that insatiable aggression virus which drives her onward to the creation of a New East Asia—consisting of the Japanese-owned Manchukuo, the Manchu Restoration, Mongolia and China Proper—a field for her political influence and a great market for her economic enrichment, and to be the mistress of the same. So Japan within three decades has either annexed or drawn into her orbit an area as large as Western Europe from Hamburg to Gibraltar. What a sportsman-like loser is China! And what a graceful Victor is Japan! Forty years ago China was saved from partition by the jealousies of the Powers. So let us hope that China will save herself from Japan this time by her reliance on her tacit observance of the Tangku Truce, since whatever open threats of further Japanese action in China are based and referred to the Tangku Truce. In short it takes a hero to match a hero and a coward to match a coward in order to make the match fit and the contrast amusing.

What I have written is my lamentation over the fate of the unarmed nations and my glorification of the almightiness of the military Powers and of the ramifications of their military establishment. So in my humble judgment the New World Order hinges upon an early awakening of the oppressed nations in general and of China in particular to the sanctity of peace through armament. It is then and only then when there will be a universal singing of the Hallelujah Chorus: "Joy in Heaven and Peace on Earth".

Who's Who in China



葛祖爌字蘧慈
Robert Tschou-kwong Kah
(Ko Tsu-kuang)

Robert Tschou-kwong Kah, Consular official; born in Ningpo, Chekiang; graduated from Hangchow Christian College, Hangchow, 1913; studied at Wooster College, Wooster Ohio, U.S.A., 1915-19, from which school he received the degree of B. A.; went to France in 1919 and served as a Secretary of Y.M.C.A., Chinese Labor Corps, France; served in the Ministry of Foreign Affairs, Peking, in 1920; was appointed Consul-Eleve, Consulate General for China, Ottawa, Canada in 1923; served as Assistant Chief, Bureau of Intelligence and Publicity, Ministry of Foreign Affairs, Peking, in 1925; adviser to the Ministry of War, Peking, in 1926; from 1929 to 1933, served in the Ministry of Foreign Affairs, Nanking, as Section Chief of the Telegram Office, Section Chief of the Business Office, Assistant Director of the Department of General Affairs, Expert attached to the Commission for the Rendition of Weihaiwei, Expert attached to the Commission for the Rendition of the Mixed Court in the International Settlement, Shanghai; appointed Consul General at Chicago, Ill., U.S.A., in 1933, which post he now holds; address: Chinese Consulate General, Chicago, Ill., U.S.A.

葛祖爌，浙江甯波人，畢業於杭州之江大學，後赴美入渥海渥胡司特大學肄業，得學士學位，一九一九年由美赴法，任華工青年會幹事，一九二〇年回國任職於北京外交部，一九二三年任加拿大渥太華中國領事館學習領事，一九二五年升任外交部情報司副科長，一九二六年任北京陸軍部顧問。一九二九至一九三三年歷任南京外交部電務科科長庶務科科長總務司幫辦接收威海威委員會專員，及接收上海會審公堂委員會專員。一九三三年被任美國芝加哥中國總領事，現任斯職（通信處：美國伊里諾州芝加哥城中國領事領。）

Insomnia—The Result Of Nerve Weakness.

Most people, at some time or another, have known what it is to lie awake at night tossing and turning, hoping for the sleep which does not come, with the result that by morning they are tired and irritable, and ill-fitted for the daily routine. It is unwise to allow such nights of broken rest to become too frequent.

Insomnia may be due to some persistent pain, such as neuralgia or rheumatism, or to insufficient physical exercise, worry, grief or over-activity of the brain. But usually its primary cause is nerve weakness, and in such cases a short course of Dr. Williams' Pink Pills almost invariably is all that is required to set matters right.

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Try a thirty day course of Dr. Williams' Pink Pills. As soon as you commence taking this reliable old preparation the constructive process will start. The blood will grow richer, will carry more vitality, and your own feelings will react pleasantly. Old aches and off-days will give way to new vigour and a brighter outlook on life. You will know once again the joy of possessing that priceless treasure....health.

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In the United States Court for China

ALBERT FLETCHER WILSON, Plaintiff, vs. JENNY STRASGAROTSKY WILSON, Defendant.	Cause No. 3967 Civil No. 1880 ORDER Filed at Shanghai, China, October 8, 1935. William T. Collins, Clerk.

ORDER

The object of this suit is the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS Plaintiff herein by his attorneys, on the 7th, day of October, 1935, made application for the substitution of publication for personal service of summons upon the Defendant herein; and

WHEREAS it appears from the files of this case that on the 8th, day of October, 1935, the summons for the defendant was returned by the Marshal of the United States Court for China "Defendant can not be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 7th, day of October, 1935, ALBERT FLETCHER WILSON, the Plaintiff herein, filed an Affidavit to the effect that the Defendant herein was not residing in the Republic of China;

NOW, THEREFORE, it is this 8th, day of October, 1935, ORDERED that service upon the Defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likely to reach the Defendant.

IT IS FURTHER ORDERED that the Defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 26th, day of October, 1935, the day of the last publication of the Order; otherwise the case will be proceeded with as in cause of default.

BY THE COURT.

MILTON J. HELMICK
JUDGE,
United States Court for China.

THE TANAKA MEMORIAL

Much debated secret document outlining Japan's imperial policy of conquest—supposedly presented to the Emperor of Japan by Premier Tanaka on July 25, 1927.

Although officially repudiated, Japan has nevertheless followed the Memorial's recommendations since 1931.

Preparing for War with U. S. A.?

The Tanaka Memorial should be read by all students of the Far Eastern Question. Send for a copy, the price is only 10-cents, with an additional 5-cents for postage.

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THE CHINA WEEKLY REVIEW
160 Avenue Edward VII
Shanghai.

Men and Events

Henri Barde, general manager of the Far Eastern service of the *Havas* news agency, returned to Shanghai this week, via Japan, after an absence of six months in Europe.

Plans have been mapped out by the Kwangtung provincial authorities for the construction of a large dockyard at Canton. The site will be located at the old dockyard at Whampoa.

A recent message from Nanking stated that the Ministry of Finance will send a delegate to attend the 17th International Geological Conference which will be held in Moscow in 1937.

Mr. and Mrs. R. S. Hall, of the Young Men's Christian Association of Nanking, announce the engagement of their daughter, Christine, to Dr. A. B. Lewis, of the faculty of Nanking University.

Comdt. L Fabre, Chief of Police (or to give him his title in French, directeur des service de police) of the French Concession, returned to Shanghai and resumed his duties this week after an extended holiday in Europe.

William Sprinkle, an American citizen, was reported missing from the Dollar s.s. *President Coolidge* when the vessel arrived in Hongkong, Oct. 5 from Manila. Mr. Sprinkle's home is at Chicago, Ill.

Lin Sen, Chairman of the National Government, in an interview in Nanking Oct. 4 made it clear that James Lin, recently involved in a matrimonial tangle in the United States, is not his adopted son, but his nephew.

The marriage took place at the American Embassy in Peiping last week of Brice Goldsborough, of the Embassy staff, to Miss Mary Clare Cottman. Both the bride and groom come from distinguished Maryland families.

Masao Tsuda, resident representative of the Japanese Government Railways, and the members of the Japan Tourist Association, are giving a cocktail party in the auditorium of the Shanghai Science Institute, 322 Route Ghisi, Tuesday, Oct. 15 from 5 to 8 p.m.

Offices of the United States Life Insurance Co. of New York have been opened at 17 the Bund, Shanghai, under the managership of R. S. Lichfield. Mr. Lichfield has in the meantime proceeded to Chungking to open an agency in Szechuen province.

Dr. Payson J. Treat, professor of Far Eastern history at Stanford University of California, arrived in Japan on Sept. 28 and after a few weeks in Japan and Manchukuo, Dr. Treat plans to visit friends in Shanghai and elsewhere in China. He is planning to spend three months in China.

Mr. and Mrs. Roy Howard and family arrived in Yokohama Oct. 6, enroute to the inauguration ceremonies of the Philippine Commonwealth. Mr. Howard is chairman of the boards of the Scripps-Howard Newspapers and of the United Press Associations. He is making a trip around the world with his family.

The death occurred recently in Formosa of the Rev. Thomas Barclay, of the English Presbyterian Mission, one of the veteran and best-known missionaries in the East. He was in his 86th year. He was a native of Glasgow. His greatest achievement was a complete translation of the Bible into the Amoy vernacular.

Five armed bandits held up and robbed D. E. O'Kieffe, cashier of the Hongkong Chase Bank, L. R. Cramer, accountant of the branch of the National City Bank, in Hongkong, Oct. 6, and Mrs. Cramer, as the trio were motoring in Sheungshoi, British territory, near the Chinese border. None of the victims was injured.

The Far Eastern Mission, whose members comprise Germans, Swiss and Alsatians, and which for the past 50 years has been work in China and Japan, held its annual meeting in Frankfurt-on-Main, Oct. 5, at which it was reported that, despite numerous difficulties, the work had been maintained in the past year on the same scale as before.

Paul F. Kops, attorney associated with Allman and Company, Shanghai attorneys, has been appointed liquidator of the Robert Lang, Federal Inc., U.S.A. Company, it was announced by the United States Court for China Feb. 4. The Lang concern, which was engaged in the raw silk export business, went into voluntary bankruptcy in June.

M. J. Harris, chief of the *Associated Press* bureau in Shanghai, departed on Sunday, Oct. 6 on a brief business trip to the United States. He plans to return to Shanghai before Jan. 1. Mrs. Harris, who has been visiting relatives in Kansas City for sometime, will return with Mr. Harris. A. T. Steele, assistant manager of the bureau, will have charge during Mr. Harris' absence.

According to reports from Washington the suggestion to extend an invitation to Jack Garner, Vice President of the United States, to visit China, while on his way to the Philippine Islands to attend the presidential inauguration next month, originally came from Dr. J. S. Ching, at present located in Seattle, Washington, where he is the Northwest trade representative of the Nanking Government. The suggestion was sent to Dr. Sao-ke Alfred Sze, Chinese Ambassador at Washington, who in turn, referred it to Nanking, where it was approved.

Khoo Hooi-hye, Chinese tennis player, was fined $300 and ordered to pay $2,000 in addition as compensation to Wong Hanting, complainant, at the Second Special District Court last week in a case in which the tennis player was charged with negligence causing the death of the daughter of the complainant as the result of a motor accident involving Khoo's car on July 30. Mr. Khoo intimated that the would appeal against the decision.

The Shanghai Municipal Council has refused to accede to an application by B. Sparks, on behalf of various mercantile concerns, for permission to introduce advertising balloons in the Settlement. Opposition to the proposal was voiced on the grounds of the danger of fire explosion through escaping gas, the possibility of entanglement with overhead wires, and traffic problems owing to the diversion of drivers' and pedestrians' attention from the roadway in busy areas.

F. Collela, Italian employee of the French Tramways, was sentenced by the Italian Consular Court in Shanghai Oct. 4 to one month and 20 days in jail (suspended subject to a fine of $700 being paid) for the shooting of an Alsatian dog on Sept. 29 last. The evidence disclosed that the dog made a leap in his direction while he was airing two dogs of his own on Rue Cardinal Mercier. However, the fine was imposed because it was proven that the Alsatian dog was muzzled.

Chinese newspaper publishers and journalists in Tientsin are carrying on a campaign against Yang Pao-ling, commissioner of the Public Works Bureau of the City Government of Tientsin, who is said to have described newspapermen as "rascals and scoundrels" recently. Last week the Italian Municipal Council authorities, pursuant to a request from the commissioner, stationed police officers in front of the offices of the *New Tientsin Daily News* and prohibited issuance of the paper to newsboys, thus adding fuel to the controversy.

An action brought by Franz Hotz against the Deutsch-Asiatische Bank in which the value of an uncashed American-Oriental Bank cashier's check for $5,000 was the principal point at issue, was dismissed by the First Special District Court last week with costs assessed against the plaintiff. It is understood that Mr. Hotz may take the matter before the appeal court. It was disclosed during the evidence that the bank failed just at the time when he had delivered to the defendant bank the A. O. Bank cashier's check.

P. Campbell, for the last ten years secretary of the British Chamber of Commerce, departed this week for the United States, where he will join a cousin who owns a farm in Illinois. Mr. Campbell has retired because of ill health. He was also secretary of the China Association, the Association of British Chambers of Commerce in China and Hongkong, and the British Residents' Association of China. Miss P. Ayrton has been appointed Acting Secretary of these various British organizations, pending the appointment of a permanent successor.

Changes in the Heads of Local Soviet Organizations

The *Shanghai Slovo* calls attention to the numerous changes that have taken place rently in the personnel of local Soviet organizations. Mr. Mooromtsev of the Centrosojus organization has departed from Shanghai, and two of the employees of the same organization have been dropped, owing to poor business conditions. Mr. Mooromtsev was formerly the head of the Shanghai office of the Black Sea-Baltic Insurance Co., registered according to British law. It has now closed its doors. A. Gartman, the correspondent in Shanghai for Moscow *Pravda*, has departed for Russia on a holiday. He is expected back here in several months.

Foreigners in Northwest Urged to Seek Safety During Anti-Red Campaign

In view of the impending compaign against the Communists in the northwest provinces, the National Government has advised foreign residents there to evacuate the various interior cities for safer zones. A communication to this effect has been sent to the various foreign embassies and legations, through the Ministry of Foreign Affairs.

Shanghai Japanese Newspaperman to Run For Diet Seat

Y. Ikeda, Japanese newspaperman in Shanghai, once a member of the repertorial staff of *The China Press* and now an active member of the local Japanese community, has announced himself as a candidate for a seat in the Imperial Diet. Mr. Ikeda, whose brother is prominent in the politics of the Nagasaki district, will be a candidate for the lower house of the Diet on the Minseito ticket. This will not be Mr. Ikeda's first attempt at the Diet as he was a candidate several years ago on the ticket of one of the smaller parties, but was defeated.

Chinese High Commissioner Demurs Against Investigating Mongolian Dispute

The latest development in the dispute regarding Mongolia is that Yu Fei-peng, Vice-Minister of Communications, has declined the offer of the Executive Yuan to proceed to Mongolia as High Commissioner, on the ground that he is not familiar with the Mongolian situation. The duty of the Commissioner would have been to conduct an official investigation into the dispute between Prince Dorlchi, Jassak of the Hsikung Banner of the Ulan-Tsab League, and Prince Yun-Tuan-Huang-Chu-Ko, President of the League, and concurrently Chairman of the Mongolian Local Autonomy Political Affairs Council.

Prince Te-Mu-Chu-Ko-Tung-Lu-Pu, Vice-President of the Silincol League and concurrently Secretary-General of the Mongolian Autonomy Political Affairs Council, has despatched a telegram to General Chiang Kai-shek, President of the Military Affairs Commission, urging that measures be adopted by the Central authorities for the settlement of the trouble.

The third plenary meeting of the Mongolian Local Autonomy Political Affairs Commission, which was scheduled for the Oct. 9, has been postponed on account of the lack of a quorum, most of its members not having yet reached Pailingmiao.

The situation in Mongolia is complicated by the Communist problem. A *Kuo Min* telegram from Kweihua Oct. 6 stated that a adequate steps are being taken by the Mongolian authorities to prevent the "Reds" from entering Inner Mongolia. Replying to a telegram of General Fu Tso-i, Chairman of the Suiyuan Provincial Government, Prince Sha-Ko-Tu-Erh-Chia-Pu, President of the Yeghe Jo (Ordos) League, stated that orders have been issued to the various Mongolian banners under his jurisdiction to detail troops along the Shensi-Suiyuan border to check any invasion by the bandits under Liu Tzu-tan and Hsu Hai-tung from northern Shensi.

An Anti-"Red" conference was convened by Lieut.-General Wang I-che, Commander of the 70th Division at Wuyuan, western Suiyuan, the previous day. The military, civil and commercial leaders as well as members of the local gentry of the districts of Wuyuan and Linho participated in the deliberations.

A *Rengo* message stated that a decision to march to Outer Mongolia instead of Sinkiang had been reached at a congress of the Chinese Communist Party, Chinese Soviets in Kansu, Ninghsia and Shensi and the Chinese Red Armies, held near Yenchwan, Shensi, late last month.

The Red troops driven out of Szechwan, it was stated, were besieging the walled city of Chingning, Kansu, while others are menacing Lihsien and Hsiho. Another army is advancing towards Pingliang.

Manchukuo-Soviet Troops Clash Near Eastern Manchukuo Border

A formal protest against fresh alleged incursions by Soviet troops into Manchukuo territory will be filed by the new State with the Soviet Consulate-General in Harbin, the Manchukuo Department of Foreign Affairs, announced in Hsinking Oct 9. The incidents assertedly took place at a point about 20 kilometers north of Suifenho, last Sunday afternoon and have already been made the subject of a *demarche* with the U. S. S. R. consular authorities at Suifenho, the announcement said. According to the latest version of the clash a Manchukuo patrol engaged in a 30-minute combat with a group of several Soviet soldiers who had allegedly crossed the frontier. On their way back to their barracks from the scene of the engagement after repulsing the Russian force, the Manchukuo troops were again fired upon by what appeared to be another Soviet patrol. In the ensuing combat, a horse was captured, while the invaders were again driven away. The number of casualties was not disclosed.

Press Correspondents Given Greater Freedom by Revision of Regulations

A *Kuo Min* message from Nanking, Oct. 8, stated that beginning November 1, press correspondents in China, who hold licenses issued by the Department of Telegraphs of the Ministry of Communications for the dispatch of press telegrams, will be allowed to dispatch such messages to all places without limitation. This is made possible by a revision of Article 3 of the Regulations governing Press Telegrams. According to the existing practice, correspondents are required to apply to the Ministry of Communications for special licenses (registration cards) for the dispatch of press messages. Each license is good for one receiving city only, so that the sender heretofore had to secure several licenses to enable him to file messages to different places.

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What Is Wrong With This Picture?

This is not a puzzle picture, although just about everything in it is wrong except the smiling caddy! Certainly there is something radically wrong with the golfer's game. and with his temper too; the result most likely of a touch of liver, which could so easily have been avoided.

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New Books of Interest in the Far East

The Universal Book on China

My Country and My People, by Lin Yutang. With an introduction by Pearl S. Buck. Published by The John Day Company, Inc. New York 1935. 382 pages. Price, U.S. $3 or Shanghai $9.

"My country and my people" is apparently a product of life-long study, observation and sympathetic intuition. No reviewer, who has any respect for honest work and the painful process of real spiritual penetration into so vast and difficult a subject should try to form any definite judgment in two or three columns—or he will acquire a reputation for utter conceitedness. All he can reasonably do is to give some idea of the book and of his ideas, if any, about it.

A true conception of China is rare both in China and abroad. Of course there have always been scientific works, some of which are excellent, but what member of the general public wants to read scientific works? For a long time there were no books in a lighter and more readable vein which were of any value. There were only very few and expensive translations of Chinese authors into European languages.

So, the average European, when thinking about China, had chiefly to rely on his fancy. Slant eyes and a liking for foul eggs were by many otherwise well informed men taken to be the chief characteristics of the Chinese race. The foulest eggs were, according to this theory, strictly reserved to His Imperial Majesty in Peking, and any subject low enough to infringe on sovereign rights would be tortured to death in a way too efficient to be described in full.

After the war, there was a popular pro-Asiatic fad among European intellectuals. This, however, did not mean very much, as there were all kinds of popular crazes. There was also a pro-negro fad, which at present, in view of the Italo-Abyssinian situation, perhaps stands a slight chance of revival. But about 15 years ago it was extremely fashionable to compare the dying materialistic culture of the "falling Occident" with values spiritual and eternal of the East and especially of China. As for the Chinese, they were God's chosen, with souls much finer and closer to things celestial than any Westerner could hope to achieve even if he cared to. Easterners and specially Chinese were supposed to be entirely free from the dreaded material urge that made the European world devoid of gods. Art, religion and thought composed the very lifeline of the East.

This attitude was perhaps more sympathetic to the Chinese people than was the popular slant-eyes-foul-eggs-theory, but it had hardly any more relation to real China. A conception of a China consisting entirely of graceful temples and glorious palaces amid a scenery of a grandeur undreamt of is just as real as an image of a Europe made up entirely of silent mediaeval towns crowned with towering cathedrals.

In reality this new conception of China was only a very bitter self-criticism in disguise. Caliban, drunk with blood, but sick of slaughter was not brave enough to look into the mirror, but enough disgusted with himself to feel a strong urge for dreams of innocence and happiness.

All this, of course, had nothing to do with China. The same applied to many either anti-or pro-Chinese books which made their appearance during the period of imperialistic penetration. The anti-Chinese authors did not conceal their belief that the poor illiterate heathen needs a firm hand and a kick in the pants now and then to lead them onto the path of righteousness. The point of view of the pro-Chinese was not much more profound. Fortunately in recent years a new category of books has sprung up—quite divorced from the utter futility of all anti-and pro-Chinese argument —and therefore really about China. The apologetic literature consisted only of illusions. The new literature is neither anti- nor pro-Chinese, but simply pro-human.

André Malraux and Pearl Buck seem to have been the pioneers which completely avoided the strange allure of the exotic and succeeded in establishing a more realistic attitude. In reality there is nothing exotic about China, at least not for a European, whose own civilization is in decay. The most exotic place one can encounter in this day and age is one where all properties of a functioning civilization are upheld, as for instance in Sweden, where peace and prosperity, personal freedom and telerance create an atmosphere of their own.

Lin Yutang's book continues the line opened up by Malraux and Pearl Buck. (It is certainly no accident that the latter wrote an enthusiastic and extremely interesting introduction). It gives a complete survey of Chinese life in a positively brilliant and extremely lucid style, which makes reading a real pleasure. There are certainly very few English writers to-day who write an English of such delicate beauty as Lin Yutang does. His book is not fiction as the works of Malraux and Buck are, but fortunately is also not scientific in the usual sense of the word. It is in a category all by its own and seems a perfection of that style of writing which Lin Yutang developed first in "China's Own Critics" and in the *China Critic.*"

Lin Yutang is not addicted to any system of thought or action. This alone makes the reading of the book extremely refreshing. To-day, man is no more man, but merely a rubber-stamp for some well mechanised loyalty to some noble cause which usually ends up by drowning the world in blood. There are very few European writers to-day who dare to be themselves. After all this is also a major task; one has to be something before one can be oneself.

Perhaps it is easier for a Chinese than for a Westerner to be himself because the Chinese tradition hitherto seems rather free from the foolish overvaluing of "causes", the State and the Society. To be oneself in Europe means "trying to sit between two chairs" as a popular German saying puts it. In China, where so much private life is still left, it is perhaps a much more natural attitude. Therefore Lin Yutang seems entirely free from the bitterness of mind and heart which to-day afflicts so many good Europeans.

Lin Yutang's attitude could be described as that of a critical historian in love with his country. He never tries to understand anything by pure logic, but always by its concrete historical surroundings. The concreteness of Lin Yutang's thinking seems one of its most valuable and desirable qualities. Even old Hegel once remarked somewhat meekly: "The educated one thinks concrete, the uneducated one abstract." This is a fair statement and concreteness of thinking seems one of the chief characteristics of the Chinese mind.

Lin Yutang is in love with his country, which is only natural for a man in love with life. But, as Pearl Buck adroitly puts it, his country is too great for him to need any defense. It is, however, worth while to see it critically, because only this means seeing at all.

With his statement that Chinese art is much superior to Western art Lin Yutang will probably get into a lot of hot water. I endorse this statement heartily, at least as far as the last 1500 years are concerned, but consider it ultimately a matter of personal taste. To me, the graceful line of a Chinese temple roof suggests harmony and beauty whereas the queer gothic-romanic mixture of the average European cathedral suggests queerness of mind and medieaval muddle-headedness. But this, as said, is a matter of liking or disliking.

There is, however, one very important point in which the reviewer finds himself in thorough disagreement with the author. The last chapter of Lin Yutang's book is called: "The Way Out" and, needless to say, he believes there is a "way out"—through a "government by law." He says: "Take off from the people the incubus of official privilege and corruption and the people of China will take care of themselves". Lin Yutang seems to overlook here what he sees perfectly clear in another part of his book, that government by "Face, Fate and Favor" is no mere accident but springs ultimately from the family system and from the way Chinese society is organized. Therefore no such thoroughgoing reform of government seems possible without a complete new-construction rather than re-construction of Chinese society. For both the chance obviously is extremely slender.

And the "way out"? Marx once said that History gives only tasks which can be solved. This always appeared to me as a fair example of 19th century optimism. After all, the fundamental mood of life seems tragic rather than harmonious and the "catathesis" seems as possible an end of "thesis" and "antithesis" as the "synthesis". Historical experience certainly does not prove that there has always been a "way out." For the common run of mortals, it is, of course, highly necessary to maintain the illusion that there is always a "way out." It would be very inhuman to destroy an illusion which to most human beings is of as vital importance as their daily bread. But already in ancient Rome it was a firmly established tradition that two augurs smiled when they met.

The modern augurs probably do not need more illusions than the ancient ones, and so we dare to offer the suggestion that the world or at least considerable parts of it seem rapidly heading towards a new dark age. The decay of China appears to be even more complete than the decay of Europe and in both cases there seems very little chance that life may start afresh again. At least all processes of reconstruction seem strangely slow and ineffective in the face of the destruction that is going on everywhere.

But "way out" or not: Lin Yutang's book, the universal book on real China, has certainly added to the joy and sense of life.

A. JOVISHOFF.

Shanghai, Oct. 7, 1935.

"Far Eastern Survey" Discusses Export Control in Japan

The Far Eastern Survey, (the fortnightly research service of the American Council, Institute of Pacific Relations, New York City), of which William W. Lockwood, Jr., is acting editor, in its issue of Aug. 28 published an article on "Export Control in Japan," written jointly by Mr. Lockwood and M. Matsuo (the latter formerly with *Rengo*). Mention is made of the fact that the recent tendency to stricter trade control has aroused considerable apprehension among the big industrialists.

September "Asia" Publishes Six Articles on Religion in China and Japan

A prominent feature of the September number of *Asia* Magazine is the space devoted to the religions of China and Japan. In an article entitled "Can Confucianism Help Democracy?" Yen-ying Lu, a member of the Ministry of Foreign Affairs, points out that there is a rather striking analogy in essentials between Confucius's teachings and the Three Principles of Dr. Sun Yat-sen. C. Yates Daniel, representative of the Associated Press and the *New York Times* at Nanking, has contributed an article entitled "Buddhism Makes Its Peace with the New Order." He says that besides making peace with the new order, Buddhism is also endeavoring to make itself an integral part of the new order. Arthur Christy, who was born in China and at present teaches comparative literature at Columbia University, in an article entitled "Old Religions Made New" summarizes some of the changes in the concepts of the old religions and comments: "From the articles in this issue it is apparent that religion in the Orient *has* come down to earth." Two articles have a Japanese angle. One is by A. Morgan Young, editor of the *Japan Chronicle*, who discusses "Religious Revival in Japan." L. de Hoyer, a former Vice-President of the Chinese Eastern Railway, now retired from business, discusses "Japanese Buddhism."

"National Sports Guide" Lists October Athletic Meet Events

National Sports Guide is the title of a 64-page brochure compiled by C. F. Yeh and published by the Oriental Feature Publishers, Shanghai. It contains a complete program of the events in the Sixth National Athletic Meet which will be held at the Shanghai Civic Center Stadium, Oct. 10 to 20. The brochure is introduced by greetings from the patrons of the *Guide*, as follows: Dr. C. T. Wang, former Minister of Foreign Affairs; Dr. Wang Shih-chieh, Minister of Education; Dr. Chang Po-ling, president of Nankai University; Chu Min-yi, secretary-general of the Executive Yuan, National Government of China; General Wu Te-chen, Mayor of Great Shanghai; Pan Kung-chan, Director of Education, Shanghai City Government; Wu Hsing-ya, Chief of Social Affairs Dept. Shanghai City Government; Shao Ju-kan, of the Bureau of Education, Shanghai City Government; Chiang Hsiang-ching, of the editorial board of the *China Times*; and K. S. Chang, sports editor of *The China Press*.

Chinese and Japanese Courses at Columbia University

Prospectuses issued by Columbia University (New York City) received in Shanghai this week call attention to the many courses offered in Chinese and Japanese, covering the language, history, art and literature of said two countries. The spring term will open Feb. 5 next and continue until June 10.

Bewildered By Advice.

A Situation which Every Young Mother Experiences.

Little children are liable to minor health troubles which seem not serious enough to warrant calling the doctor, although this may be necessary later if steps are not promptly taken to put matters right. At such times, as every mother knows, relatives and friends come forward with all manner of well-meant advice as to how the child should be treated, until she is bewildered as to which is the best course to pursue.

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The 25 Chapters of the 17th issue of the CHINA YEAR BOOK, edited by H. G. W. Woodhead, C.B.E., have as usual been revised or rewritten with the assistance of many experts, Chinese and foreign, and every effort has been made to bring information and statistics up to date.

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Father D'Elia, in the Chapter on Religions, contributes an interesting Chronological Review of Catholic Missions in China.

Mr. E. Kann is again responsible for the Chapter on Currency and Banking, and the Loan Tables.

A new feature is a Chapter on China's Modern Industries.

Price: $18 (Postage in China 30 cents extra)

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74-237

Proposed U. S. Ship Subsidies Stir Up Political Hubbub

The *Literary Digest* says that something of a political hubbub has been stirred up in the United States by legislation for direct shipping subsidies which Rep. Schuyler Otis Bland from Virginia, as chairman of the House Merchant Marine Committee, has promoted in accordance with a request from the President. The House passed a measure on June 28 by a 194-to-186 vote granting operating and construction subsidies and limiting the salaries of officials of subsidized lines and their scope of activity. The bill differed from the President's recommendations in authorizing continued government loans for ship-building and in failing to transfer quasi-judicial and quasi-legislative duties of the Shipping Board to the Interstate Commerce Commission. It is pointed out in this connection that the U. S. Government in the last 15 years has spent almost a billion dollars on the merchant marine.

U.S. Supreme Court Has Before It Many Cases Involving Administration's Policies

The U.S. Supreme Court met for the first time in the new Court building at Washington Oct. 7. During the present session the Court will review the constitutionality of many of the basic New Deal laws, including the A.A.A. processing taxes, the Bankhead Cotton Control Act, the Tennessee valley authority power program, the slum clearance program, the act conferring upon the Public Works Administration the power to assist municipalities in building their own power plants, the Guffey Coal Mining Act, the Wheeler-Rayburn act affecting public utility holding companies, the Wagner Labor Relations Act, and the Railroad Retirement Pension Act.

Accordingly, the Roosevelt Administration's labor, industrial, commercial, social security and agricultural policies all hinge on the outcome of cases before the Court.

America's Wheat Crop at Low Ebb

Owing to damage from rust, the wheat crop in the United States this year is at a low ebb. The total wheat crop, estimated at 595,000,000 bushels, would be the third smallest since 1904, only the 1933 and 1934 drouth years producing less.

Twenty Employees Killed in Soya Bean Factory Explosion

More than a score of persons, a large proportion of them girls, were burned to death as the result of an explosion in the Glidden Soya Products factory in Chicago, Oct. 7.

Dr. Wellington Koo Will Go to France Next Month

Dr. Wellington Koo, Chinese Ambassador-designate to France, will depart from Shanghai for Paris in the early part of November, according to Koo Wei-hsin, the Ambassador's brother.

Dr. Philip Tyau, Chinese Consul-General at Singapore, arrived in Nanking this week to report to the Ministry of Foreign Affairs on the conditions of Chinese in the Strait Settlements.

Hsiao Fu-chen, veteran member of the South-west Political Council, who went to Siam some months ago, is now on his way back to Canton, where he is expected to arrive next week.

American Ambassador Due Back in Shanghai Next Week

Nelson T. Johnson, American ambassador to China, is due to re-visit Shanghai about October 15 to meet John Nance Garner and George Dern, vice-president and secretary of war of the United States respectively, who are scheduled to arrive in Shanghai about that date.

American Official to Visit Philippines

George Atcheson, Jr., Secretary of the American Embassy, will shortly leave Nanking for Shanghai en route to the Philippines for a three weeks tour.

Gold Production in Philippines Now Greater Than That of Alaska

An optimistic report on the prospects of mining developments in the Philippine Islands was made in Washington, D. C., Oct. 6 by H. Foster Bain, former Chief of the United States Bureau of Mines, returning there from a trip to the Philippines.

Mr. Bain declared that the gold output of the Islands was running well ahead of that in Alaska. He reported that prospects of exploiting chrome, manganese and iron ores in the Philippines were decidedly favorable. The former official of the Bureau of Mines said that the exploitation of iron ores in the Philippines had been handicapped by the fact that Japan was the only market for such ores at present. He expressed the opinion, however, that chrome would be marketed in increasing quantities in the United States, since America at present was dependent on foreign supplies of the metal.

Two Korean Revolutionaries Arrested in Shanghai

The Japanese Consulate-General has been active of late following information that some Koreans Communists had entered Shanghai secretly. As a result, two Koreans, named Lee Hak-tung, aged 24, and Kun So-myung, aged 28, were arrested last week and charged with being closely connected with the Independence Movement in Korea. The arrests were made as the result of a confession made by another Korean who has been arrested the previous morning after putting up a vigorous fight when the Japanese policemen tried to arrest him in the International Settlement. The three Koreans have allegedly been engaged in Communistic activities in China.

All three, according to the *Shanghai Nippo*, having become dissatisfied with the Nationalists Movement and the "outrageous actions of a certain group in Nanking," are supporting Communism. In January, the Society of Revolutionary Comrades was organized by these Koreans, who further attracted more than thirty of the students at the Military Academy in order to strengthen their stand against the certain group. They came to Shanghai only to make connections with the members of the Third International, the *Nippo* said.

Korean Meeting in Hangchow

Actively supporting a certain Chinese organization, a meeting was held in Hangchow, Chekiang Province, by Korean revolutionists in the beginning of last July, and as a result, Japanese sources allege, a new independent Korean Government has been established.

The meeting was attended by the representatives of the five parties: the Korean New Independence Party under the leadership of Sung Pin-tso, the Yi Li Tuan (Loyal Group) under leadership of King Yuan-feng, the Independence Party of Korea under the leadership of Ying Yi-pian, the Revolutionary Party of Korea under the leadership of Tung-wu, and the New Great Korean Independence Party under the leadership of King Kwei-tsu. Many of the Korean students of the Branch of the Chinese Military Academy at Loyang also participated in the conference. The new government consists of fifteen members.

The Shanghai Mainichi says the following resolutions were adopted by the last conference:

1) That the "Yi Li Tuan" shall stand on the first front against Japan and Manchuria.

2) That the Chinese authories shall be asked to transfer the Korean students in the Branch of the Military Academy at Loyang to the Nanking academy.

3) That military training institutes shall be organized in Szechuan to give rigid military training to the Koreans, and

4) That close cooperation shall be secured with the *Hwa-lien* News Agency.

No concrete measures were decided upon at the meeting in connection with the organization of a united front with the Communists. However, it was decided that close cooperation will be conducted through the *Hwa-lien* News Ageney under the leadership of King Kiu, with the International Revolutionary Force in Marchuria and Korea, which is under the full control of the Soviet authorities.

Under the command of King Hsiao-tung the so-called International Revolutionary Force has 25,000 soldiers, including two divisions and six regiments, equipped with many guns and thirty-four machine guns.

Fuh Tan University Celebrates Thirtieth Anniversary

Fuh Tan University, Kiangwan, celebrated its thirtieth anniversary Oct. 7, when honorary degrees were conferred on twelve statesmen as follows: Sun Fo, President of the Legislative Yuan, LL.D., Kuo Yuan-kuan, President of the First Special District Court, LL.D.; Wunsze King, Minister to Holland, LL.D.; Kuo Jen-yuan, President of the National Chekiang University, D.SC.; Dr. Chen Tien-fan, Ambassador to Germany, LL.D.; Eugene Y. B. Kiang, lawyer, LL.D.; P. K. Chu, Secretary-General of the World's Chinese Students Federation, M.A.; Yin Yi-wen, Principal of the Fuh Tan middle school, M.A.; Wu Shao-heng, secretary to Minister to Poland, B.A.; Hung Wei-hsiung, teacher of mathematics in Fuh Tan middle school for more than 20 years, B.A.; Yang Tze-cheng, teacher of English in Provincial Changchow middle school for eighteen years, B.A.; and Lan Shih-chao, Boy Scout Master in Fuh Tan middle school for more than ten years, B.A.

A prominent feature of Fuhtan University is its Department of Journalism, from which have been graduated 10 classes of students, most of whom are making a name for themselves in their chosen profession.